
State:	Pennsylvania	Filing Company:	Continental Casualty Company
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other		
Product Name:	CCC LTC		
Project Name/Number:	CCC PA RI/		

Filing at a Glance

Company:	Continental Casualty Company
Product Name:	CCC LTC
State:	Pennsylvania
TOI:	LTC03G Group Long Term Care
Sub-TOI:	LTC03G.003 Other
Filing Type:	Rate - Other (Not M.U. or G.I. Product)
Date Submitted:	02/24/2022
SERFF Tr Num:	LTCG-133166533
SERFF Status:	Closed-Approved
State Tr Num:	LTCG-133166533
State Status:	Approved
Co Tr Num:	CCC PA RI

Effective	On Approval
Date Requested:	
Author(s):	Melissa Rajsic-McLaughlin, Lisa L. Bauer
Reviewer(s):	Sean Carmody (primary), Jim Lavery
Disposition Date:	08/12/2022
Disposition Status:	Approved
Effective Date:	

State Filing Description:

Proposed 19.9% rate increase on 2,900 policyholders of group LTC forms P1-43636-A (called GLTC1) and SR-LTCP (called GLTC2).

State: Pennsylvania
TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.003 Other
Product Name: CCC LTC
Project Name/Number: CCC PA RI/
Filing Company: Continental Casualty Company

General Information

Project Name: CCC PA RI
Project Number:
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Employer
Filing Status Changed: 08/12/2022
State Status Changed: 08/12/2022
Created By: Lisa L. Bauer
Corresponding Filing Tracking Number:
State TOI: LTC03G Group Long Term Care
Status of Filing in Domicile: Not Filed
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Group
Group Market Size: Small and Large
Overall Rate Impact:
Deemer Date:
Submitted By: Lisa L. Bauer
State Sub-TOI: LTC03G.003 Other

Filing Description:
February 24, 2022

Honorable Jessica K. Altman
Commissioner
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re: Continental Casualty Company
(NAIC #218-20443, FEIN #36-2114545)
Rate Increase Filing for Group Long Term Care Policy Forms:
-“GLTC1”: P1-43636-A, et al
-“GLTC2”: SR-LTCP-Series, et al

Dear Commissioner:

Enclosed is a request for a premium rate increase for the above captioned group long term care policy forms, including all associated riders. This increase is requested in order to establish premium rates that are reasonable in relation to benefits based on actual historical experience and best-estimate projections for these forms. The method that we used to determine the requested premium rate increase is outlined in the enclosed actuarial memorandum and supporting exhibits.

We respectfully request your favorable consideration and approval of this filing.

Louis Scarim, ASA, MAAA
Actuarial Consulting Director, LTC Inforce Management

Company and Contact

Filing Contact Information

Lisa Bauer, Administrative Assistant lisa.bauer@ltcg.com

State: Pennsylvania

Filing Company: Continental Casualty Company

TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.003 Other

Product Name: CCC LTC

Project Name/Number: CCC PA RI/

20975 Swenson Drive

952-516-6391 [Phone]

Suite 420

Waukesha, WI 53186

Filing Company Information

(This filing was made by a third party - longtermcaregroup)

Continental Casualty Company

CoCode: 20443

State of Domicile: Illinois

151 North Franklin Street

Group Code:

Company Type:

Chicago, IL 60606

Group Name: CNA Insurance

State ID Number:

(312) 822-5000 ext. [Phone]

Group

FEIN Number: 36-2114545

State: Pennsylvania **Filing Company:** Continental Casualty Company
TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.003 Other
Product Name: CCC LTC
Project Name/Number: CCC PA RI/

Filing Fees

State Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? Yes
Fee Explanation:
Per Company: Yes

Company	Amount	Date Processed	Transaction #
Continental Casualty Company	\$50.00	02/24/2022 03:35 PM	224010533
EFT Total	\$50.00		

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
State:	Pennsylvania	Filing Company:	Continental Casualty Company		
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Sean Carmody	08/12/2022	08/12/2022

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Disapproved	Sean Carmody	07/13/2022	07/13/2022
Disapproved	Sean Carmody	03/07/2022	03/07/2022

Response Letters

Responded By	Created On	Date Submitted
Melissa Rajsic-McLaughlin	08/05/2022	08/05/2022
Lisa L. Bauer	05/05/2022	05/05/2022

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
We need Excel	Note To Filer	Jim Laverty	02/26/2022	02/26/2022

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
State:	Pennsylvania	Filing Company:	Continental Casualty Company		
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Disposition

Disposition Date: 08/12/2022

Effective Date:

Status: Approved

Comment:

August 12, 2022

Lisa Bauer, Administrative Assistant
Long Term Care Group
20975 Swenson Drive, Suite 420
Waukesha, WI 53186

RE: Proposed aggregate 19.9% rate increase on 2,900 policyholders of group LTC forms P1-43636-A (called GLTC1) and SR-LTCP (called GLTC2).
Pennsylvania Insurance Department ID #: LTCG-133166533

Dear Lisa Bauer:

The Department approves the following.

- 1) For the 2,799 policies without Standard Lifetime ABI, we approve a 13% increase.
- 2) For the 101 policies with Standard Lifetime ABI, we approve a 99.9% increase spread over three years, with policyholders receiving an increase of 30% in the first year, 30% in the second year, and 18.3% in the third year.

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Sincerely,

Sean Carmody
Actuarial Associate
Bureau of Accident & Health Insurance

Overall %	Overall %	Written Premium	Number of Policy	Written	Maximum %	Minimum %
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State:	Pennsylvania	Filing Company:	Continental Casualty Company
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other		
Product Name:	CCC LTC		
Project Name/Number:	CCC PA RI/		

Company Name:	Indicated Change:	Rate Impact:	Change for this Program:	Holders Affected for this Program:	Premium for this Program:	Change (where req'd):	Change (where req'd):
Continental Casualty Company	0.000%	19.900%	\$1,202,962	2,900	\$6,033,950	130.400%	14.800%

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	Supplement to Rate Sheets		Yes
Supporting Document	Transmittal Letter (A&H)		Yes
Supporting Document	Actuarial Certification (A&H)		Yes
Supporting Document	Actuarial Memorandum and Explanatory Information (A&H)		Yes
Supporting Document	Advertisements (A&H)		Yes
Supporting Document	Authorization to File (A&H)		Yes
Supporting Document	Insert Page Explanation (A&H)		Yes
Supporting Document	Rate Table (A&H)		Yes
Supporting Document	Replacement Form with Highlighted Changes (A&H)		Yes
Supporting Document	Advertisement Compliance Certification		Yes
Supporting Document	Reserve Calculation (A&H)		Yes
Supporting Document	Variability Explanation (A&H)		Yes
Supporting Document	Endorsement Surrender		Yes
Supporting Document	Notification		Yes
Supporting Document	Response to Objection 20220307		Yes
Supporting Document	Response to Objection 20220713		Yes

State: Pennsylvania
TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.003 Other
Product Name: CCC LTC
Project Name/Number: CCC PA RI/
Filing Company: Continental Casualty Company

Objection Letter

Objection Letter Status Disapproved
Objection Letter Date 07/13/2022
Submitted Date 07/13/2022
Respond By Date

Dear Lisa Bauer,

Introduction:

July 13, 2022

Lisa Bauer, Administrative Assistant
Long Term Care Group
20975 Swenson Drive, Suite 420
Waukesha, WI 53186

RE: Proposed aggregate 19.9% rate increase on 2,900 policyholders of group LTC forms P1-43636-A (called GLTC1) and SR-LTCP (called GLTC2).

Pennsylvania Insurance Department ID #: LTCG-133166533

Dear Lisa Bauer:

The captioned filing has been reviewed by the Pennsylvania Insurance Department. It has been determined that the filing fails to meet the requirements of our Insurance Company Laws or regulations and is therefore disapproved pursuant to the authority granted under Section 304(a) of Act 134, the Accident and Health Filing Reform Act. In the event you have any questions regarding the stated concerns, please feel free to contact the Department for further clarification.

The disapproved filing may be resubmitted within 120 days of the date of disapproval. If the Department does not hear from you within 120 days, the subject filing will be permanently closed. Such filings resubmitted after 120 days must be submitted as a new filing, inclusive of appropriate filing fees and disclosure of the closed filing SERFF tracking number.

The Department cannot approve this filing as submitted but we can offer the following.

- 1) For the 2,799 policies without Standard Lifetime ABI, we can approve a 13% increase on the pre-RS policies (policies issued before 9/16/2002) and a 14.8% increase on the post-RS policies (policies issued after 9/15/2022).
- 2) For the 101 policies with Standard Lifetime ABI, we can approve a 99.9% increase spread over three years, with no policyholder receiving more than a 30% in a given year.

Lastly, please provide a seriatim listing of the 2,900 Continental Casualty policies in this block in Excel. Each row within the worksheet must contain the policy's unique identification number, form number, series (i.e. GLTC1 or GLTC2), issue age, issue date, inflation status indicator, benefit period, and Continental Casualty's suggested premium increase in each year of the implementation period.

If Continental Casualty would like to accept our offer, then please respond with an acceptance letter and the seriatim listing in Excel.

Sincerely,

Sean Carmody
Actuarial Associate
Bureau of Accident & Health Insurance

State: Pennsylvania**Filing Company:** Continental Casualty Company**TOI/Sub-TOI:** LTC03G Group Long Term Care/LTC03G.003 Other**Product Name:** CCC LTC**Project Name/Number:** CCC PA RI/**Conclusion:**

Sincerely,

Sean Carmody

State: Pennsylvania
TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.003 Other
Product Name: CCC LTC
Project Name/Number: CCC PA RI/
Filing Company: Continental Casualty Company

Objection Letter

Objection Letter Status Disapproved
Objection Letter Date 03/07/2022
Submitted Date 03/07/2022
Respond By Date

Dear Lisa Bauer,

Introduction:

March 7, 2022

Lisa Bauer, Administrative Assistant
Long Term Care Group
20975 Swenson Drive, Suite 420
Waukesha, WI 53186

RE: Proposed 19.9% rate increase on 2,900 policyholders of group LTC forms P1-43636-A (called GLTC1) and SR-LTCP (called GLTC2).

Pennsylvania Insurance Department ID #: LTCG-133166533

Dear Lisa Bauer:

The captioned filing has been reviewed by the Pennsylvania Insurance Department. It has been determined that the filing fails to meet the requirements of our Insurance Company Laws or regulations and is therefore disapproved pursuant to the authority granted under Section 304(a) of Act 134, the Accident and Health Filing Reform Act. In the event you have any questions regarding the stated concerns, please feel free to contact the Department for further clarification.

The disapproved filing may be resubmitted within 120 days of the date of disapproval. If the Department does not hear from you within 120 days, the subject filing will be permanently closed. Such filings resubmitted after 120 days must be submitted as a new filing, inclusive of appropriate filing fees and disclosure of the closed filing SERFF tracking number.

Please furnish the following information to the Department.

1. Please provide a table in an Excel spreadsheet (perhaps similar to Exhibit 3 – GLTC - Policy Forms with Standard Inflation) for this nationwide block of policies which shows the historical and projected nationwide earned premium and incurred claims on a calendar year basis assuming no rate increase is granted. Please restate the nationwide historical and projected earned premium so that the business from inception appears to have all been earned at the original rate level. The original rate level is the rate level that would have existed if no increase was ever granted on any policy nationwide. Answer this question considering only the policies representing GLTC policies with Standard Inflation.
2. Please provide a table in an Excel spreadsheet (perhaps similar to Exhibit 3 – GLTC - Policy Forms without Standard Inflation) for this nationwide block of policies which shows the historical and projected nationwide earned premium and incurred claims on a calendar year basis assuming no rate increase is granted. Please restate the nationwide historical and projected earned premium so that the business from inception appears to have all been earned at the original rate level. The original rate level is the rate level that would have existed if no increase was ever granted on any policy nationwide. Answer this question considering only the policies representing GLTC policies without Standard Inflation.
3. Please provide the percent of active remaining on a nationwide basis. How many policies were issued nationwide? How many policies remain in force nationwide? Answer this question considering only the GLTC policies with Standard Inflation.
4. Please provide the percent of active remaining on a nationwide basis. How many policies were issued nationwide? How many

State: Pennsylvania **Filing Company:** Continental Casualty Company
TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.003 Other
Product Name: CCC LTC
Project Name/Number: CCC PA RI/

policies remain in force nationwide? Answer this question considering only the GLTC policies without Standard Inflation.

5. Please provide the cumulative weighted average increase granted on policies in force on this block in PA. Answer this question considering only the GLTC policies with Standard Inflation.

6. Please provide the cumulative weighted average increase granted on policies in force on this block in PA. Answer this question considering only the GLTC policies without Standard Inflation.

7. Of the 101 GLTC policies with standard inflation, how many were issued after 9/15/2002?

8. Of the 2,799 GLTC policies without standard inflation, how many were issued after 9/15/2002?

9. What is the approximate average daily benefit on these forms?

10. Provide Exhibit 1 - 4 in an Excel workbook.

11. How many "GLTC1" or P1-43636-A series policies are in force in PA?

12. How many "GLTC2" or the SR-LTCP-Series policies are in force in PA?

13. Please provide a listing of the past requested increases and approved increases by state for this block. Also include a column showing the cumulative increases approved in each state to date.

14. Continental Casualty has offered the surrender option in the past. The company also offered a conversion option that provided a paid-up benefit of 100% of premium paid plus a cash payment. What is the approximate percent of policyholders that, when offered a cash surrender option, actually choose to exercise it?

Sincerely,

Sean Carmody

Actuarial Associate

Bureau of Accident & Health Insurance

Conclusion:

Sincerely,

Sean Carmody

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
State:	Pennsylvania	Filing Company:	Continental Casualty Company		
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/05/2022
Submitted Date	08/05/2022

Dear Sean Carmody,

Introduction:

Thank you for your letter dated July 13, 2022.

Response 1

Comments:

Please see the attached response letter and file.

Changed Items:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Objection 20220713
Comments:	
Attachment(s):	CNA PA Response to Objection_20220713.pdf PA Seriatim Insured - Final.xlsx

Conclusion:

Thank you for your assistance in reviewing this filing.

Sincerely,

Melissa Rajsic-McLaughlin

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
State:	Pennsylvania	Filing Company:	Continental Casualty Company		
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/05/2022
Submitted Date	05/05/2022

Dear Sean Carmody,

Introduction:

Thank you for your letter dated 3/7/2022.

Response 1

Comments:

Please see the attached response.

Changed Items:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Objection 20220307
Comments:	
Attachment(s):	CNA PA Response to Filer Note 2022.03.07.pdf Excel Exhibits.xlsx Nationwide Experience_Infl_NoRI.xlsx Nationwide Experience_NInfl_NoRI.xlsx State Status Listing - GLTC (as of 05.03.2022).xlsx

Conclusion:

Thank you.

Lisa Bauer

LTCG

Sincerely,

Lisa L. Bauer

State: Pennsylvania**Filing Company:** Continental Casualty Company**TOI/Sub-TOI:** LTC03G Group Long Term Care/LTC03G.003 Other**Product Name:** CCC LTC**Project Name/Number:** CCC PA RI/

Note To Filer

Created By:

Jim Laverty on 02/26/2022 07:30 AM

Last Edited By:

Sean Carmody

Submitted On:

08/12/2022 01:41 PM

Subject:

We need Excel

Comments:

Please provide the attachments, tables, and exhibits in this filing in an Excel workbook.

Thanks.

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
State:	Pennsylvania	Filing Company:	Continental Casualty Company		
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Rate Information

Rate data applies to filing.

Filing Method:	Review and Approval
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	
SERFF Tracking Number of Last Filing:	

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Continental Casualty Company	0.000%	19.900%	\$1,202,962	2,900	\$6,033,950	130.400%	14.800%

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
State:	Pennsylvania	Filing Company:	Continental Casualty Company		
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Supplement to Rate Sheets		New		2021 GLTC Supplement to Rate Sheets - PA.pdf,

THIS POLICY IS FOR RENEWAL BUSINESS ONLY

**CONTINENTAL CASUALTY COMPANY
PENNSYLVANIA
Group Long Term Care**

Supplement to Rate Sheets for Policy Forms:

“GLTC1” P1-43636-A, et al
“GLTC2” SR-LTCP-Series, et al

Rates in the above forms should be multiplied by the following factors:

Cumulative Rate Increase		
Inflation Type	Year 1 Factor	Year 2+ Factor
with Standard Lifetime ABI	3.525120	4.776538
without Standard Lifetime ABI	2.362639	2.362639

These amounts reflect the following prior approved and current rate increases:

Prior Approved Rate Increases			
Inflation Type	Approval Date	Effective Date	Amount Approved
All	1/12/2016	9/1/2016	20.0%
All	1/12/2016	9/1/2017	20.0%
All	9/26/2018	3/1/2019	20.0%
with Standard Lifetime ABI	4/10/2020	1/1/2021	20.0%
without Standard Lifetime ABI			19.1%

Current Rate Increase		
Inflation Type	Year 1 Amount	Year 2 Amount
with Standard Lifetime ABI	70.0%	35.5%
without Standard Lifetime ABI	14.8%	0.0%

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
State:	Pennsylvania	Filing Company:	Continental Casualty Company		
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Supporting Document Schedules

Satisfied - Item:	Transmittal Letter (A&H)
Comments:	
Attachment(s):	GLTC Cover Letter - PA - FINAL.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Certification (A&H)
Bypass Reason:	Please see Section 25 of the attached actuarial memorandum for the actuarial certification.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum and Explanatory Information (A&H)
Comments:	
Attachment(s):	GLTC Actuarial Memorandum - PA - FINAL.pdf Exhibit 1_Infl.pdf Exhibit 1_NInfl.pdf Exhibit 2_Infl.pdf Exhibit 2_NInfl.pdf Exhibit 3_Infl.pdf Exhibit 3_NInfl.pdf Exhibit 4_Infl.pdf Exhibit 4_NInfl.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Advertisements (A&H)
Bypass Reason:	Not applicable to this rate increase only filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Authorization to File (A&H)
Comments:	
Attachment(s):	Rate Filing Certification Letter.pdf
Item Status:	
Status Date:	

State:	Pennsylvania	Filing Company:	Continental Casualty Company
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other		
Product Name:	CCC LTC		
Project Name/Number:	CCC PA RI/		

Bypassed - Item:	Insert Page Explanation (A&H)
Bypass Reason:	Not applicable to this rate increase only filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Rate Table (A&H)
Comments:	
Attachment(s):	2021 GLTC Supplement to Rate Sheets - PA.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Replacement Form with Highlighted Changes (A&H)
Bypass Reason:	Not applicable to this rate increase only filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Advertisement Compliance Certification
Bypass Reason:	Not applicable to this rate increase only filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Reserve Calculation (A&H)
Bypass Reason:	Not applicable to this rate increase only filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Variability Explanation (A&H)
Bypass Reason:	Not applicable to this rate increase only filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Endorsement Surrender
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State:	Pennsylvania	Filing Company:	Continental Casualty Company
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other		
Product Name:	CCC LTC		
Project Name/Number:	CCC PA RI/		

Comments:	
Attachment(s):	Endorsement_Surrender_GLTC_NW_2021v2.pdf SOV_GLTC_Endorsement.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Notification
Comments:	
Attachment(s):	Notification_GLTC_NoRI_NW_2021v1 11042021.pdf Notification_GLTC_RI_NW_2021v1 11042021.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Response to Objection 20220307
Comments:	
Attachment(s):	CNA PA Response to Filer Note 2022.03.07.pdf Excel Exhibits.xlsx Nationwide Experience_Infl_NoRI.xlsx Nationwide Experience_NInfl_NoRI.xlsx State Status Listing - GLTC (as of 05.03.2022).xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Response to Objection 20220713
Comments:	
Attachment(s):	CNA PA Response to Objection_20220713.pdf PA Seriatim Insured - Final.xlsx
Item Status:	
Status Date:	

SERFF Tracking #:	LTCG-133166533	State Tracking #:	LTCG-133166533	Company Tracking #:	CCC PA RI
<hr/>					
State:	Pennsylvania			Filing Company:	Continental Casualty Company
TOI/Sub-TOI:	LTC03G Group Long Term Care/LTC03G.003 Other				
Product Name:	CCC LTC				
Project Name/Number:	CCC PA RI/				

Attachment Excel Exhibits.xlsx is not a PDF document and cannot be reproduced here.

Attachment Nationwide Experience_Infl_NoRI.xlsx is not a PDF document and cannot be reproduced here.

Attachment Nationwide Experience_NInfl_NoRI.xlsx is not a PDF document and cannot be reproduced here.

Attachment State Status Listing - GLTC (as of 05.03.2022).xlsx is not a PDF document and cannot be reproduced here.

Attachment PA Seriatim Insured - Final.xlsx is not a PDF document and cannot be reproduced here.



CNA Center
151 North Franklin Street
Chicago, IL 60606

www.cna.com

January 21, 2022

Honorable Jessica K. Altman
Commissioner
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re: Continental Casualty Company
(NAIC #218-20443, FEIN #36-2114545)
Rate Increase Filing for Group Long Term Care Policy Forms:

- “GLTC1”: P1-43636-A, et al
- “GLTC2”: SR-LTCP-Series, et al

Dear Commissioner:

Enclosed is a request for a premium rate increase for the above captioned group long term care policy forms, including all associated riders. This increase is requested in order to establish premium rates that are reasonable in relation to benefits based on actual historical experience and best-estimate projections for these forms. The method that we used to determine the requested premium rate increase is outlined in the enclosed actuarial memorandum and supporting exhibits.

The rate increase indication varies by benefit feature, specifically the standard lifetime automatic benefit increase (“ABI”) benefit, as follows:

Benefit Feature	Requested Rate Increase (Y1, Y2)
Insureds without Standard Lifetime ABI	130.4% (70%, 35.5%)
Insureds with Standard Lifetime ABI	14.8%

Please see the Supplement to Rate Sheet for details on the implementation schedule.

All of these forms provide the insured guaranteed renewable group long term care insurance. Our group long term insurance is a closed block and is not being marketed to any new groups. In addition to not offering coverage to any new groups, we stopped offering coverage to any new enrollees within existing groups effective February 1, 2016.

The new premium rates will be applied to all insureds under group policies that were situated in your state except insureds under group policies situated in your state that were issued certificates in a state that is an extraterritorial

(ET) jurisdiction. These insureds are governed by the ET state's laws and regulations and will be included in that state for rate increase purposes.

The proposed premium rates will be effective on the insured's next premium due date following a notification period at least as long as required by your state following approval. No insured will receive more than one rate increase in a 12-month period.

Upon approval of this rate revision, all impacted insureds will be offered the option to reduce coverage so as to offset all or part of the rate increase. When insureds are notified of the rate increase, they will be encouraged to call our customer service staff and discuss these options if they so desire. Available options will depend upon the insured's current coverage levels, benefit options available under their group plan, and any statutory minimum benefit levels in your state.

Another option that is being offered to insureds is the "Surrender Option". If this option is elected by the insured, the insured will surrender their certificate in return for a one-time cash payment from the Company. The amount of the one-time cash surrender payment is equal to the unisex-adjusted statutory active life reserve held for the specific insured.

The above options will be offered to all insureds governed by your state for rate increase purposes with the policy forms listed in this rate increase filing, regardless of whether or not they receive a rate increase to ensure fairness within the product portfolio.

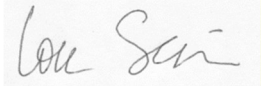
Although many insureds have a contractual non-forfeiture benefit, the Company is making a contingent non-forfeiture option ("CNF") available to all insureds in conjunction with this rate increase. This option provides a paid-up policy with benefits equal to the total of premiums paid, less any claims paid. If a policy lapses due to non-payment of premiums without notifying the Company of the insured's intention to elect any of the above options, the insured's coverage will default to a standard 100% CNF benefit.

For states that do not approve the full requested increase, the Company anticipates that additional rate increase filings will be necessary in the near future. The exact timing of when an additional filing will be made and the amount that will be requested will be determined by the attributes of these policy forms, the Company's experience, and applicable laws and regulations.

Included with this request are the following items:

- this cover letter;
- an actuarial memorandum including supporting exhibits;
- a rate supplement page reflecting the rate increase request; and
- a cash surrender endorsement.

We respectfully request your favorable consideration and approval of this filing.

A handwritten signature in black ink, appearing to read "Lou Scarim", is displayed within a light gray rectangular box.

Louis Scarim, ASA, MAAA

Actuarial Consulting Director, LTC Inforce Management

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Continental Casualty Company (“CCC”)
Actuarial Memorandum
In Support of a Premium Rate Increase Request
Pennsylvania

The following group long term care policy forms subject to this rate increase request were originally issued nationwide during the calendar years referenced below:

Policy Form	Product Name	Originally Issued	Closed to New Groups
P1-43636-A, et al	GLTC 1	1988	1994
SR-LTCP et al	GLTC 2	1994	2003

This long term care insurance was provided under group policies issued to cover eligible employees of an employer, and at the option of the employer, retirees and/or family members of eligible employees who meet eligibility requirements. In addition, the SR-LTCP-Series form was marketed through a small number of associations.

1. Purpose and Justification of Filing

The purpose of this memorandum is to provide actuarial information supporting CCC’s request for a rate increase for the above-listed policy forms, including all associated riders. This increase is requested in order to establish premium rates that are reasonable in relation to benefits based on actual historical experience and best-estimate projections for these forms. This rate filing is not intended to be used for other purposes.

In 2015, the company began a nationwide rate increase program for the above-listed policy forms due to significant deterioration of nationwide lifetime loss ratios based on the Company’s best-estimate projections. That was the first time a rate increase had been requested on these policy forms. In that program, 95.5% was requested in every state¹ in order to get the block to a 77% lifetime loss ratio. Since that time, however, further deterioration in experience has necessitated the need for additional rate increases. This rate increase indication varies by benefit feature, specifically the standard lifetime automatic benefit increase (“ABI”) benefit, as follows:

Benefit Feature	Requested Rate Increase (Y1, Y2)
Insureds without Standard Lifetime ABI	14.8%
Insureds with Standard Lifetime ABI	130.4% (70%, 35.5%)

Please see the Supplement to Rate Sheet for details on the implementation schedule.

¹ Except in those jurisdictions that impose annual limits

To the extent that states do not implement the requested amounts, it is the intent of management to submit follow-up filings, where not otherwise limited by law or regulation, such that an actuarially equivalent increase amount is attained.

Upon approval of this rate revision, all impacted insureds will be offered the option to reduce coverage so as to offset all or part of the rate increase. When insureds are notified of the rate increase, they will be encouraged to call our customer service staff and discuss these options if they so desire. Available options will depend upon the insured's current coverage levels, benefit options available under their group plan, and any statutory minimum benefit levels in your state.

Another option that is being offered to insureds is the "Surrender Option". If this option is elected by the insured, the insured will surrender their policy in return for a one-time cash payment from the Company. The amount of the one-time cash surrender payment is equal to the unisex-adjusted statutory active life reserve held for the specific insured.

The above options will be offered to all insureds governed by your state for rate increase purposes with the policy forms listed in this rate increase filing, regardless of whether or not they receive a rate increase to ensure fairness within the product portfolio.

Although many insureds have a contractual non-forfeiture benefit, the Company is making a contingent non-forfeiture option ("CNF") available to all insureds in conjunction with this rate increase. This option provides a paid-up policy with benefits equal to the total of premiums paid, less any claims paid. If a policy lapses due to non-payment of premiums without notifying the Company of the insured's intention to elect any of the above options, the insured's coverage will default to a standard 100% CNF benefit.

Although certain policy forms were originally priced prior to rate stability requirements in your state, certificates have been added after the rate stability requirements in your state. Therefore, this filing is being made according to rate stability requirements in your state.

2. Description of Benefits

Form P1-43636-A (i.e. GLTC 1):

- This form provides a daily benefit for long term care received at home or a nursing facility. Qualification for benefits is met by the inability to perform at least two of a set of five activities of daily living (ADLs). The full daily benefit (facility benefit or home health care benefit, as applicable) is payable for each day that care is received by a covered provider. Benefits begin after the elimination period and are payable until impairment ends or the maximum benefit (expressed as a multiple times the facility daily benefit) are paid out. Available lifetime maximum benefits are (multiples of the daily facility benefit) 1,500x, 1,825x, 2,000x, 3,000x, 4,000x, 5,000x, and an option for an overall maximum of \$1 million.
- *Optional Benefits:* The form was originally offered with options regarding whether prior hospitalization would be required to obtain benefits, or whether prior facility care would be

required to receive home care benefits. No policies were sold with those restrictions. Other options offered were a respite benefit and a 10 year simple ABI option.

Form SR-LTCP-Series (i.e. GLTC 2):

- This form provides a daily benefit for long term care received at home, an assisted living facility, or a nursing facility. Benefits are payable in the event the insured is impaired in a stated number of ADLs or is cognitively impaired after the appropriate elimination period has been satisfied. The policy form was available on an expense incurred (reimburse actual cost up to a daily benefit) or indemnity (pay a daily benefit for each day qualifying care was received) basis. Lifetime maximum benefits are defined as an aggregate dollar amount that is a multiple of the facility daily benefit. Available lifetime maximum benefits are (multiples of the daily facility benefit) 730x, 1,095x, 1,460x, 1,500x, 1,825x, 2,000x, 2,190x, 2,555x, 3,000x, 3,650x, 4,000x, or 5,000x, and an option for an unlimited lifetime maximum benefit. Benefits for home based care are available at 50% to 100% of the daily facility benefit, depending on the level chosen by the insured.
- *Other Benefits:* The form also includes benefits for bed reservation, respite care, waiver of premium, home medical technology, caregiver training, and alternate plan of care.
- *Optional Benefits:* The form may have also included benefit options for additional respite care, family respite care, informal caregiver, worldwide coverage, restoration of benefits, non-forfeiture, and refund of premium upon death. Insureds may have had the option of selecting an ABI option. If the insured did not elect an ABI option, a guaranteed benefit increase option was provided. This option allows the insured to periodically buy-up additional amounts of coverage.

3. Renewability

These forms provide the insured guaranteed renewable group long term care coverage.

4. Applicability of Rate Increase

The new premium rates will be applied to all insureds under group policies that were situated in your state except insureds under the group policies situated in your state that were issued certificates in a state that is an extraterritorial (ET) jurisdiction. These insureds are governed by the ET state's laws and regulations and will be included in that state for rate increase purposes.

The premium increase contained in this memorandum will be applicable to all insureds of the policy forms and riders described in Section 1 as well as all future periodic buy-up offers.

5. Experience Study and Actuarial Assumptions

This section provides a summary of the results of the annual experience study, along with the resulting assumptions utilized in the projection model. These liability assumptions below are consistent with the

assumptions being used in the Company's reserve adequacy and asset adequacy testing. It is noted that some actual to expected ("A/E") analysis tables in this section have A/E ratios other than 100%. In order to reduce year over year volatility, if A/E results from the experience study are within an internal target range, the assumption will not be revised from the prior year's assumption.

Morbidity Overview

CCC has a sizeable block of LTC policies with a robust and credible amount of claims experience. As such, the 2020 morbidity study used experience from 2009 to 2019 to develop frequency and severity (claim utilization, disabled life mortality, and claim recovery) assumptions. CCC assesses morbidity experience separately for the Individual Long-Term Care (ILTC) and Group Long-Term Care (GLTC) blocks of business. Furthermore, any variation in assumption by different policyholder characteristics (i.e. gender) is based on company experience where meaningful variation has existed and is expected to continue in the future. Assumptions are set at a granular level to provide the best possible fit to experience. A dynamic validation is then performed to ensure that assumptions provide a reasonable fit in the aggregate. The dynamic validation was performed by modeling best-estimate assumptions with inforce liability data as of December 31, 2018 to see how well the assumptions would replicate actual historical experience.

For policyholders aged 85 and older, CCC has approximately over 350K exposure years and over 35K claims. For older attained ages with less credible data, CCC has set incidence, claim recovery and utilization assumptions using age bands where assumptions do not vary beyond a certain age threshold. Disabled life mortality varies by attained age and is based on a 2012 IAM mortality table for attained ages 0 to 100 and based on the maximum of 2000 Annuity and 2012 IAM for attained ages 100 and older. Impairment factors by attained age are applied to this table to account for the higher mortality rates associated with disabled lives compared to healthy lives.

Morbidity experience can vary by carrier to carrier based on policy language, claim adjudication practices and rate increase programs undertaken. None of these differences are captured in industry studies. Given the fact that CCC has credible and robust claims experience, assumptions were set entirely based on company experience and were not directly compared to industry data.

The ILTC block is past its peak so the number of new incurred claims has been slowing. GLTC is a younger block and the number of new incurred claims is expected to continue to increase over the next twenty to thirty years. Also, within the study period mentioned above, CCC has implemented ILTC and GLTC rate increase programs which have temporarily increased incidence due to anti-selection.

The amount of new incurred claim dollars has increased over the recent past due to increases in the cost of care. Incurred claim dollars are expected to continue to increase for both ILTC and GLTC over the near to mid-term.

CCC has granular assumptions which allows for variation in lapse rates. One variation that is worth noting is the assumption that lapse rates are expected to be lower for policies with richer benefits (i.e. policies with longer benefit periods and with contractual ABI). Therefore, as the block ages, there is an

expectation that the policies that persist will naturally have longer lengths of stay with higher severity as the mix shift changes over time. Also assumed in the claim utilization assumption is an expectation of rising cost of care inflation which will also lead to higher severity of claims over time.

Claim Incidence

The frequency of claim is the probability that a healthy insured will go into disabled status, also known as 'claim incidence'. The final incidence rate that gets modeled is comprised of a base incidence table, adjustment factors based on policy features and demographics, and adjustments for policyholder behavior to rate actions.

Base Incidence Actual to Expected Analysis

The below table summarizes the results of the experience study for GLTC base incidence rates, which includes experience over the past nine years:

Best-Estimate Incidence A/E Results Group Long Term Care						
Calendar Year	Exposures (Years)	Actual Claims	Expected Claims	Actual Incidence Rate	Expected Incidence Rate	Actual / Expected
2010	222,842	450	449	0.20%	0.20%	100%
2011	223,014	454	499	0.20%	0.22%	91%
2012	221,789	501	552	0.23%	0.25%	91%
2013	226,069	591	609	0.26%	0.27%	97%
2014	222,753	637	668	0.29%	0.30%	95%
2015	218,812	726	734	0.33%	0.34%	99%
2016	208,305	987	816	0.47%	0.39%	121%
2017	189,855	884	901	0.47%	0.47%	98%
2018	162,715	958	946	0.59%	0.58%	101%
2019	152,128	949	974	0.62%	0.64%	97%
Total	2,048,281	7,137	7,149	0.35%	0.35%	100%

Base Incidence Assumption

The base incidence rates are single-dimensional tables that vary by attained age. These base incidence tables vary by the following:

- Whether the policy covers comprehensive or facility only benefits
- The situs of the claim (Nursing Home or Home Health Care)
- Gender

A sample table is shown below:

Product: GLTC
Plan Type: Comprehensive
Situs: Nursing Home
Gender: Male

Attained Age	Annual Incidence Rate (%)
44 and Prior	0.0022%
45	0.0026%
46	0.0031%
47	0.0037%
...	...
55	0.0137%
56	0.0162%
57	0.0191%
...	...
65	0.0714%
66	0.0842%
67	0.0993%
...	...
75	0.4059%
76	0.4854%
77	0.5804%
...	...
85	2.4087%
86	2.8756%
87	3.4324%
...	...
95	6.9527%
96 to 120	7.5603%

Incidence Rate Adjustment Factors

There are a number of incidence rate adjustment factors that are applied to adjust the base incidence tables for various policy features. The annual experience study reviews these adjustment factors and provides updates as needed. These assumptions were determined by applying scalars to the prior year assumption to bring the A/E ratio close to 100%. Note that 2017 and 2018 experience was not used because of suspected anti-selection from rate increases. The incidence adjustment factors are shown below:

Category	Variable/Benefit Feature	Adjustment Factor
Underwriting Class	Group	1.0648
Elimination Period	0 Days	1.0000
	All Others	0.8068
Benefit Period	Lifetime	1.2418
	Non-Lifetime	1.0000
Tax Status	Tax Qualified	0.8366
	Non-Tax Qualified	1.0000

Temporary Anti-Selection Overview

As part of the company's annual experience study, the relationship between premium rate actions and incidence rates were developed into an assumption set. At any time, there is a subset of policyholders that already qualify for their long term care benefits, but have not utilized the policy. When a rate increase notification is received, some of these policyholders will go on claim to avoid paying the increased premium, since their premium rates will be waived. This phenomenon is known as anti-selection or 'shock morbidity'.

With more accurate notification date data and implementing distributed exposures, a cleaner cut of pre-rate increase and post-rate increase periods could be investigated. Ultimately, this analysis suggested a durational impact of 1 year and severity of 17% for GLTC. ***Future Incidence Improvement (i.e. Morbidity Improvement)***

No future incidence improvement is assumed.

Model Calibration

The morbidity assumptions are intended to reflect the best-estimate of the long term. Long-Term Care policies are complex and have multiple decrements. Assumptions are developed independently and when combined in the model, they do not always produce results that seem reasonable. Model calibration is performed when necessary to fit the model to the long term view.

A dynamic validation was performed by modeling our best-estimate assumptions with inforce liability data as of December 31, 2018 to see how well the assumptions would replicate actual historical experience. This analysis was performed separately for ILTC and GLTC. Based on how well the model 'fits' actual claims experience, additional incidence calibration factors are applied as follows:

Calendar Year	Group Calibration Factor
2019	1.1000
2020	1.0833
2021	1.0667
2022	1.0500
2023	1.0333
2024	1.0167
2025+	1.0000

Claim Severity

In the projection system, the severity of claim is the associated length and cost of a claim once an insured becomes disabled (or is already disabled). The severity of a claim is driven by three key assumptions:

- Recovery
- Utilization
- Disabled Life Mortality

A further breakdown of these three components is described below.

Recovery Overview

Once an insured is on claim, there is an associated probability that the insured will recover back in to a 'healthy' status prior to death or exhausting benefits. This is the recovery rate assumption in the projection model.

Recovery Actual to Expected Analysis

The below table summarizes the results of the experience study for GLTC recovery rates, which includes experience over the past five years:

Best-Estimate Recovery A/E Results Group Long Term Care									
Calendar Year	Actuals			Current Claims			Future Claims		
	Exposures (Months)	Actual Recoveries	Actual Recovery Rate	Expected Recoveries	Expected Recovery Rate	Actual / Expected	Expected Recoveries	Expected Recovery Rate	Actual / Expected
2015	1,900	129	6.8%	162	8.5%	79%	161	8.5%	80%
2016	2,172	178	8.2%	179	8.2%	101%	182	8.4%	98%
2017	2,356	219	9.3%	184	7.8%	119%	187	7.9%	117%
2018	2,472	178	7.2%	186	7.5%	96%	186	7.5%	96%
2019	2,624	208	7.9%	191	7.3%	109%	190	7.2%	110%
Total	11,523	912	7.9%	903	7.8%	102%	906	7.9%	101%

Recovery Assumption

The recovery tables are two-dimensional tables that vary by age of disability and disability duration. The first five years of the tables contain monthly rates and are annual thereafter. The recovery tables vary by the following:

- Benefit period (lifetime, non-lifetime)
- Gender
- The situs of the claim (Nursing Home, Home Health Care)
- Diagnosis of the claim (for insureds currently on claim)
- Tax-Qualified Status (tax-qualified, not tax-qualified)
- Elimination Period (0, 0-89, 90+)

Insureds that are currently in claim status have a known situs of care, so the recovery rates will be different than a policy currently in healthy status, since the future claim situs is unknown.

A sample table is shown below for sample ages of disablement (rates shown are on a monthly basis):

Product: GLTC

Insured Status: Healthy

Benefit Period: Lifetime

Gender: Female

Inflation Type: Compound

Restoration of Benefits: No

Situs: Nursing Home (original, since policy is healthy)

Tax-Qualified Status: Not tax-qualified

Elimination Period: 1-89 days

Disability Month	Disablement Age			
	65	75	85	95
1	0.83%	0.58%	0.41%	0.35%
2	2.54%	1.78%	1.25%	1.06%
3	1.64%	1.15%	0.81%	0.68%
4	2.22%	1.56%	1.09%	0.93%
5	1.92%	1.35%	0.95%	0.80%
6	1.13%	0.80%	0.56%	0.47%
7	1.16%	0.81%	0.57%	0.48%
8	0.74%	0.52%	0.36%	0.31%
9	0.53%	0.37%	0.26%	0.22%
10	0.47%	0.33%	0.23%	0.20%
11	0.43%	0.30%	0.21%	0.18%
12	0.40%	0.28%	0.20%	0.17%
...

Utilization Overview

The utilization assumption in the model for expense reimbursement policies represents the amounts, or severity, of paid claims and includes components for cost of care, coverage available and the intensity of care (“health trend”). The inflated available benefit is also considered by capping paid claims at the inflated daily benefit amount.

Expense reimbursement refers to policies that are reimbursed up to the maximum daily benefit. They are considered separately from indemnity policies because indemnity policies pay the full maximum daily benefit. Expense reimbursement claim amounts are affected by cost of care inflation, intensity of care (referred to as “health trend”), and the amount of initial coverage purchased.

Health trends represent the intensity of care needed for claimants. Health trend is the ratio of inflation-adjusted paid claims divided by initial available benefits:

$$\text{Health Trend} = \frac{\text{Paid Claim}}{\frac{(1 + \text{CostOfCare Inflation})^{(\text{Experience Year} - \text{Issu Year})}}{\text{Initial Available Benefits}}}$$

Indemnity policies have separate utilization assumptions from expense reimbursement policies because they pay their full available benefits and are not dependent on cost or intensity of care. Although indemnity policies pay the full maximum daily benefit, utilization rates are still below 100% because insureds are not in facilities 100% of the time. For example, if an insured is only in a facility 28 out of the 30 days in each month, then they would have a utilization rate equal to $28/30 = 93\%$. This is because benefit periods are based on service days and not strictly calendar days.

The utilization cost of care assumption is based on statutory valuation assumptions.

Utilization Actual to Expected Analysis

The below table summarizes the results of the experience study for GLTC utilization rates, which includes experience over the past seven years:

Best-Estimate Utilization A/E Results Group Long Term Care												
Calendar Year	Current Claims						Future Claims					
	Maximum Available Benefit (\$millions)	Actual Paid Claims (\$millions)	Actual Utilization Rate	Expected Paid Claims (\$millions)	Expected Utilization Rate	Actual / Expected	Maximum Available Benefit (\$millions)	Actual Paid Claims (\$millions)	Actual Utilization Rate	Expected Paid Claims (\$millions)	Expected Utilization Rate	Actual / Expected
2013	81	41	51%	41	51%	100%	81	41	51%	43	53%	96%
2014	92	48	52%	47	51%	101%	92	48	52%	49	54%	97%
2015	104	54	51%	55	53%	97%	104	54	51%	57	54%	95%
2016	121	60	50%	61	51%	99%	121	60	50%	63	52%	96%
2017	136	70	51%	71	52%	98%	136	70	51%	74	54%	94%
2018	147	76	52%	78	53%	98%	147	76	52%	82	56%	92%
2019	160	85	53%	86	54%	99%	160	85	53%	92	57%	93%
Total	841	433	51%	439	52%	99%	841	433	51%	460	55%	94%

Utilization Assumption

The health trend component of utilization tables are two-dimensional tables that vary by age of disability and disability duration. The first five years of the tables contain monthly rates and are annual thereafter. These tables vary by the following:

- Benefit Period (lifetime, non-lifetime)
- Inflation Type (with inflation vs. without inflation)
- Home health care percentage (0%, 1%-50%, 50%-75%, 75%+)
- The situs of the claim (Nursing Home or Home Health Care)
- Diagnosis of the claim (for insureds currently on claim)

Insureds that are currently in claim status have a known situs of care, so the utilization rates will be different than a policy currently in healthy status, since the future claim situs is unknown.

A sample health trend table is shown below for sample ages of disablement (rates shown are on a monthly basis):

Product: GLTC

Insured Status: Disabled

Benefit Period: Non-Lifetime

Inflation Type: Compound

Home Health Care Percentage: N/A (since situs is not home health care)

Situs: Nursing Home (original, since policy is healthy)

Tax-Qualified Status: Not tax-qualified

Elimination Period: 1 to 89 days

Disability Month	Disablement Age			
	65	75	85	95
1	85.00%	89.00%	91.00%	95.00%
2	65.00%	67.00%	69.00%	72.00%
3	43.00%	45.00%	46.00%	48.00%
4	44.00%	46.00%	47.00%	49.00%
5	53.00%	55.00%	57.00%	59.00%
6	58.00%	60.00%	62.00%	64.00%
7	58.00%	60.00%	62.00%	64.00%
8	58.00%	61.00%	62.00%	65.00%
9	60.00%	62.00%	64.00%	67.00%
10	62.00%	64.00%	66.00%	69.00%
11	62.00%	65.00%	67.00%	69.00%
12	64.00%	67.00%	69.00%	71.00%
...

Cost of care inflation rates vary by inflation type (simple, compound, none). A sample table is shown below:

Product: GLTC

Inflation Type: Compound

Calendar Year	Cost of Care Inflation Rate
2017 and Prior	4.25%
2018	4.64%
2019	4.29%
2020	3.74%
2021	3.80%
2022	3.85%
2023	3.91%
2024	4.02%
2025	4.12%
2026	4.23%
2027	4.34%
2028	4.45%
2029	4.56%
2030 and Later	4.66%

Disabled Life Mortality Overview

Once an insured is on claim, there is an associated probability that the insured will decrement due to death, which influences the overall length of a claim. Generally, the probability of death from a currently disabled insured is greater than the probability associated with a currently healthy insured, so separate assumptions are developed and modeled.

Disabled Life Mortality Actual to Expected Analysis

The below table summarizes the results of the experience study for GLTC disabled mortality rates, which includes experience over the past five years: The following tables illustrate the appropriateness of the proposed 2020 best estimate assumptions:

Best-Estimate Disabled Mortality A/E Results Group Long Term Care (Target Range = 98% - 102%)									
Calendar Year	Actuals			Current Claims			Future Claims		
	Exposures (months)	Disabled Deaths	Disabled Mortality Rate	Expected Disabled Deaths	Expected Disabled Mortality Rate	Actual / Expected	Expected Disabled Deaths	Expected Disabled Mortality Rate	Actual / Expected
2015	1,895	429	22.60%	425	22.40%	101%	426	22.50%	101%
2016	2,162	530	24.50%	509	23.50%	104%	503	23.30%	105%
2017	2,342	578	24.70%	558	23.80%	104%	548	23.40%	105%
2018	2,451	568	23.20%	587	23.90%	97%	577	23.50%	98%
2019	2,597	628	24.20%	631	24.30%	99%	620	23.90%	101%
Total	11,447	2,733	23.90%	2,710	23.70%	101%	2,674	23.40%	102%

Disabled Life Mortality Assumption

The disabled life mortality rates are two-dimensional tables that vary by age of disability and disability duration. Similar to the other severity assumptions, the first five years of the tables contain monthly rates and are annual thereafter. The disabled life mortality tables vary by the following:

- Benefit period (lifetime vs non-lifetime)
- The situs of the claim (Nursing Home or Home Health Care)
- Gender
- Diagnosis of the claim (for insureds currently on claim)

Insureds that are currently in claim status have a known situs of care, so the disabled life mortality rates will be different than a policy currently in healthy status, since the future claim situs is unknown.

A sample table is shown below for sample ages of disablement (rates shown are on a monthly basis):

Product: GLTC

Insured Status: Healthy

Benefit Period: Non-Lifetime

Situs: Nursing Home

Gender: Male

Diagnosis: N/A (since status is healthy)

Disability Month	Disablement Age			
	65	75	85	95
1	1.38%	2.03%	2.30%	2.73%
2	1.85%	2.71%	3.08%	3.66%
3	2.01%	2.96%	3.36%	3.99%
4	2.36%	3.47%	3.94%	4.68%
5	2.93%	4.29%	4.88%	5.79%
6	2.19%	3.21%	3.65%	4.34%
7-12	2.34%	3.44%	3.91%	4.64%
13-18	1.37%	2.02%	2.33%	2.87%
19-24	1.44%	2.13%	2.45%	3.02%
25-36	1.67%	2.44%	2.85%	3.72%
37-48	1.83%	2.62%	3.09%	4.28%
49-60	1.95%	2.69%	3.20%	4.75%
...

Transitions of Situs

Because the current projection model does not model future claim transitions, additional adjustments are made to disabled mortality, recovery, and utilization to produce smoother claim development. The following factors are applied to group.

Additional Adjustment Factors – Group Disabled Life Mortality & Recovery						
By Disability Month						
1-12	13-24	25-36	37-48	49-60	61-72	>72
1.00	1.00	1.00	1.00	1.00	0.80	0.75

Additional Adjustment Factors – Group Utilization							
Payment Type	By Disability Month						
	1-12	13-24	25-36	37-48	49-60	61-72	>72
Expense Incurred	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Indemnity	1.05	1.05	1.05	1.05	1.05	1.05	1.05

Persistency

In the projection system, the persistency assumptions relate to the probability that insureds not on claim will lapse or die. Insured reduced benefit options are considered part of the persistency assumption and are modeled as partial lapses in the projection system. Persistency assumptions include the following components:

- Healthy Life Mortality
- Healthy Life Mortality Improvement
- Shock Mortality
- Base lapse
- Shock lapse
- Reduced Benefit Option (RBO) Assumptions
- Lapse due to direct bill migration
- Voluntary Lapse

A further breakdown of these components is described below.

Healthy Life Mortality

Deaths from insureds not on claim. This includes estimated under-reported deaths, which are an allocation of lapses for policyholders age 70 and older to deaths.

Healthy Life Mortality Actual to Expected Analysis

The below table summarizes the results of the experience study for GLTC healthy life mortality rates, which includes experience over the past seven years:

Best-Estimate Healthy Life Mortality A/E Results Group Long Term Care						
Calendar Year	Exposures (Years)	Actual Deaths	Expected Deaths	Actual Death Rate	Expected Death Rate	Actual / Expected
2013	226,252	1,209	1,287	0.53%	0.57%	94%
2014	222,970	1,321	1,369	0.59%	0.61%	97%
2015	218,995	1,294	1,305	0.59%	0.60%	99%
2016	208,374	1,355	1,362	0.65%	0.65%	100%
2017	189,928	1,333	1,273	0.70%	0.67%	105%
2018	162,713	1,192	1,209	0.73%	0.74%	99%
2019	152,072	1,362	1,175	0.90%	0.77%	116%
Total	1,381,305	9,065	8,980	0.66%	0.65%	101%

The base healthy life mortality tables are one-dimensional tables based on the 2012 IAM mortality tables (ages greater than 100 use the maximum of the 2000 Annuity table and the 2012 IAM table). There are additional multipliers to these base tables based on the company's experience, which vary by attained age band, product, and gender.

The Overall factor calibrates the overall level of the assumptions to match experience in the aggregate.

The Calendar Year factors are set to flatten the A/E curve and maintain a total A/E of 100%.

The table below summarizes the factors selected:

Healthy Life Mortality Factors		
Category	Variable/Benefit Feature	Adjustment Factor
Overall		0.82
Attained Age	0-59	0.68
	60-64	0.61
	65-69	0.60
	70-74	1.14
	75-79	1.07
	80-84	0.93
	85-89	0.83
	90-94	0.91
Product & Gender	GLTC - Female	1.20
	GLTC - Male	1.34
Calendar Year	2014 & Prior	1.00
	2015	0.90
	2016	0.90

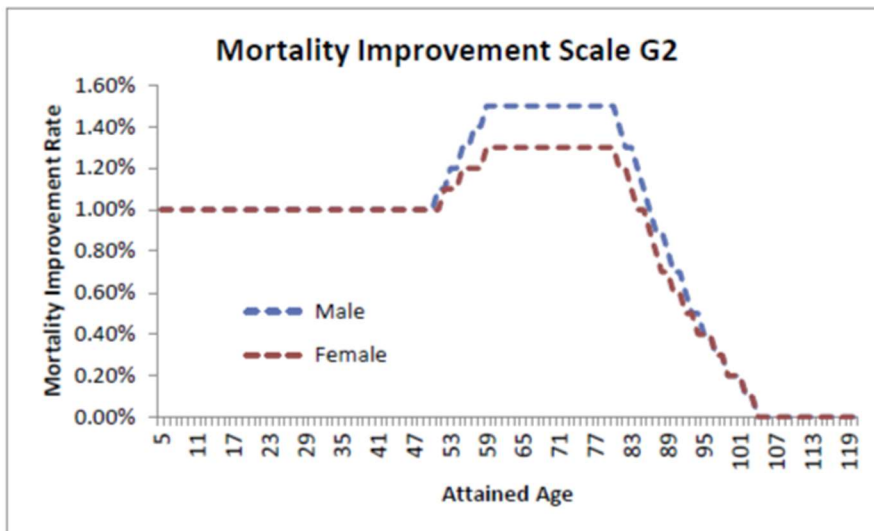
	2017	0.85
	2018	0.85
	2019	0.80
	2020	0.70
	2021	0.70
	2022	0.70
	2023	0.75
	2024	0.80
	2025	0.85
	2026	0.90
	2027	0.95
	2028+	1.00

Also, due to lack of credibility at the older ages, the assumptions grade linearly from 100% of the best estimate assumption at age 95, to 100% of the 2012 IAM/Annuity 2000 table at ages 105 and later. This method gives more weight to the credible company experience between ages 90 and 94. The method produces a smooth assumption for each combination of product, gender, and underwriting class. And it is consistent with the pattern of actual experience.

Healthy Life Mortality Improvement

A healthy life mortality improvement factor is applied to the base healthy mortality table to reflect the improvement of population mortality over time. Consistent with the prior year's analysis, the Mortality Improvement Scale G2 table was used in this year's analysis. The timing of mortality improvement was set to start on the center of the experience study period where dis-improvement was assumed to occur in prior years. Consistent with historical practice, mortality improvement was assumed to occur from 2017 to 2026.

An example is shown below for reference:



Shock Mortality

Due to policyholders going on claim as a result of shock incidence, it is theorized that these people are the less healthy policyholders not on claim. This causes an artificially lower healthy life mortality rate as these people are now moved to disabled life mortality assumption, leaving a temporarily healthier population within the healthy life pool of policyholders.

Base lapse

Lapses in absence of direct-bill migration and rate increases.

Shock lapse

Lapses in excess of base lapse in response to a rate increase. Shock lapses are estimated to isolate base lapses.

Reduced Benefit Option (RBO) Assumptions

Represents the impact of policyholders choosing to reduce benefits in response to a rate increase.

Lapse due to direct bill migration

High lapses for GLTC in response to moving policyholders from payroll deduction to direct bill payment type. During assumption setting, estimates are made for direct bill migration lapse to exclude them from the development of lapse and mortality assumptions. There is no best estimate assumption for direct bill migration lapse since most groups will have been migrated to direct bill migration by 9/30/2020.

Voluntary Lapse

The voluntary lapse assumption reflects the probability associated with an insured voluntarily canceling their policy. The voluntary lapse rates differ from shock lapse rates in that the policy cancelation is not due to a rate increase notification.

Voluntary Lapse Actual to Expected Analysis

The below table summarizes the results of the experience study for GLTC voluntary lapse rates, which includes experience over the past seven years:

Best-Estimate Voluntary Lapse A/E Results Group Long Term Care						
Calendar Year	Exposures (Years)	Actual Lapse	Expected Lapse	Actual Lapse Rate	Expected Lapse Rate	Actual / Expected
2013	230,642	9,903	9,577	4.29%	4.15%	103%
2014	226,775	8,833	8,519	3.90%	3.76%	104%
2015	223,794	8,833	7,613	3.85%	3.40%	113%
2016	214,772	8,627	6,552	3.14%	3.05%	103%
2017	198,103	6,742	5,126	2.67%	2.59%	103%
2018	167,143	5,293	3,421	3.37%	2.05%	164%
2019	153,958	5,625	2,730	1.83%	1.77%	103%
Total	1,415,187	47,837	43,538	3.38%	3.08%	110%

Voluntary Lapse Assumption

The voluntary lapse assumptions are one-dimensional tables that vary by policy duration. The voluntary lapse tables vary by the following:

- Benefit period (lifetime or non-lifetime)
- Inflation type (inflation protection or no inflation protection)
- Timing adjustment ('Skew lapse') to align modeled lapse behavior with CNA's billing practices
- Limited pay adjustment to set lapse rates to zero beyond premium payment dates (10 Pay, Age 65, 20 Pay and 25 Pay)

A sample voluntary lapse table is shown below:

Product: GLTC

Benefit Period: Lifetime

Inflation Type: Compound

Policy Duration	Voluntary Lapse
1	8.60%
2	6.60%
3	5.60%
4	5.00%
5	4.50%
6	4.05%
7	3.65%
8	3.30%

9	2.95%
10	2.60%
11	2.30%
12	2.05%
13	1.77%
14	1.49%
15	1.21%
16+	0.93%

Shock Lapse and Reduced Benefit Option

In 2020, the shock lapse and RBO assumptions were combined into one assumption that accounted for additional lapses above base lapses. Given the increased transparency in providing alternatives in lieu of paying the rate increase for older products, it is assumed that that shock and RBO behavior will be similar between individual products.

In setting the 2020 assumption, it was decided that a 50% reduction in the 2019 assumption would be used. Given that remaining policyholders have persisted through all previous rounds of rate increases, it is expected that the future likelihood of policyholders to elect the RBO option or lapse is less likely. Therefore, the assumption should reflect diminishing impact from shock lapses and RBOs.

Additionally, due to projection modeling limitations, it is not possible to model future contingent or increased contingent non-forfeiture upon a lapse from a rate increase. Decreasing the shock lapse and RBO assumption provides a provision for funding the paid-up policy reserves once established on an ongoing basis..

6. Discount Rate

The inforce count-weighted average maximum statutory valuation interest rate for contract reserves is used to accumulate past actual experience and discount future expectations, 4.35%.

7. Expenses

This filing is based on loss ratios and expense levels have not been considered. Commissions are not paid on rate increase premiums.

8. Marketing Method

These policies were sold directly to employer groups, through benefit consultants, or non-captive agents.

9. Underwriting Description

Actively-at-work employees were guaranteed issue during open enrollment periods; otherwise they were subject to short-form underwriting.

Generally, spouses of actively-at-work employees were subject to short-form underwriting. However, in some cases spouses were allowed to enter subject to a simple ADL screen, conditional upon the actively-at-work employee also enrolling. This practice was generally phased out in the late 1990's.

All other eligible classes of insureds, such as parents and retirees, were subject to long-form underwriting.

Various underwriting tools in addition to the application may have included medical records, an attending physician's statement, telephone interviews, and/or face-to-face assessments.

The distribution of the inforce certificates by underwriting type at original issue is provided below:

Underwriting Type	Inforce at Dec. 31, 2020
Guaranteed Issue	83.2%
Short-Form	13.7%
Long-Form	3.1%

10. Premiums

Premiums are unisex and payable for life unless the insured selected a limited pay option. Only 0.6% of insureds inforce as of December 31, 2020 elected a limited pay option. Premiums are level except for a limited number of groups where premiums may increase annually, indexed to a 5% annual benefit inflation rate. Premiums may vary by issue age, elimination period, benefit period / lifetime maximum, initial daily benefit amount, and level of home health care coverage, ABI option, premium mode, underwriting class, marital status, group size, and the selection of any other options or riders.

11. Modal Premium Factors

The following modal factors remain unchanged and are applied to the annual premium to obtain the modal premium.

Payment Mode	P1-43636-A and SR-LTCP-Series	Nationwide Premium Distribution at Dec. 31, 2020
Annual	1.000	18.5%
Semi-Annual	0.520	9.0%
Quarterly	0.270	40.9%

Monthly	0.090	30.6%
Semi-Monthly	0.045	0.0%
Bi-Weekly	0.090*(12/26)	1.0%
Weekly	0.090*(12/52)	0.0%

12. Issue Age Range

Issue ages range from 17 to 90.

13. Area Factors

Area factors are not used for these policy forms.

14. Average Annualized Premium

The average annualized premium for the policy forms subject to the rate increase request, both before and after the impact of the requested rate increase, is included in Exhibit 1.

15. Number of Insureds

The current number of insureds as of December 31, 2020 can be found in Exhibit 1.

16. Distribution of Business

The historical experience reflects the actual distribution of insureds during the experience period. The current distribution of business as of December 31, 2020 was used to project future experience. Exhibit 2 contains the distribution of the inforce insureds by key demographic and benefit characteristics.

17. Claim Liability and Reserves

Active life reserves have not been used in this rate increase analysis. Claim reserves as of December 31, 2020 have been discounted to the incurral date of each respective claim and included in historical incurred claims. Incurred but not reported reserve ("IBNR") balances and terminated but not reported reserve ("TBNR") balances as of December 31, 2020 have been allocated to a calendar year of incurral and included in historical incurred claims.

18. Trend Assumptions

As this is not medical insurance, explicit medical cost trends have not been included in the projections.

19. Experience – Past and Future

Earned premiums and incurred claims, projected through 2079 are developed from a first-principles actuarial model representing actual contracts in-force as of December 31, 2020. The assumptions described in Section 5 are used to project earned premiums and incurred claims.

Waived premiums are not included as premiums nor claims in either the actual historical or the projected future experience.

Historical results reflect earned premium by calendar year with claims captured by incurral year. That is, incurred claims for a calendar year represent all payments through December 31, 2020 for a claim incurred in a particular calendar year plus any claim reserve held as of December 31, 2020. Incurred claims also include IBNR and TBNR held as of December 31, 2020.

Exhibit 3 presents nationwide experience, with the earned premium restated with your state's prior rate increase approvals, for all forms affected by this rate increase to ensure maximum credibility.

Annual loss ratios are calculated, with and without interest, as incurred claims divided by earned premiums.

A lifetime loss ratio as of December 31, 2020 is calculated as the sum of accumulated past experience and discounted future experience using the nationwide inforce count-weighted average maximum statutory valuation interest rate for contract reserves.

20. History of Rate Adjustments

See Exhibit 1 for a history of prior rate adjustments in your state.

21. Ensuring No Cross-Subsidization Between States

We have ensured no state's rate increase approvals will subsidize other states' experience. Rate increase requests will vary by state, but only to reflect the timing and amount of prior rate increases approved by that state. This is accomplished by first backing-out all prior rate increases from our nationwide premium data. We then reintroduce prior rate increases with the amount and timing based on your state's prior approvals (as referenced in Section 17). The current proposed rate increase(s) are then determined.

Although some states may have capped our previous inforce rate increase filings, it is the intention of CCC's management that subsequent filings will be submitted at a later date until an actuarially equivalent amount is achieved.

22. Requested Rate Increase and Demonstration of Satisfaction of Requirements

CCC is requesting a premium rate increase on all policy forms included in this filing, to be implemented over two years. The rate increase request varies by benefit feature, specifically the lifetime ABI benefit, as follows:

Benefit Feature	Requested Rate Increase (Y1, Y2)
Insureds without Standard Lifetime ABI	14.8%
Insureds with Standard Lifetime ABI	130.4% (70%, 35.5%)

Corresponding rate schedules reflecting the increase are included with this filing. CCC will continue to monitor the experience of this block and take appropriate actions when necessary.

Note that the actual rates implemented may vary slightly from those filed due to implementation rounding algorithms.

Satisfaction of minimum required loss ratio requirements is demonstrated in Exhibit 1. This approach shows that with the requested rate increase, the expected lifetime loss ratio exceeds the minimum loss ratio requirement.

Exhibit 4 included with this memorandum provides a demonstration that the requested rate increase meets the {58/85} test required by your state's rate stability regulation.

The historical and future projected incurred claims in the 58/85 test were increased by 10% from the best estimate projections to reflect assumptions that include moderately adverse conditions (equates to a 10% deterioration in the lifetime loss ratio). Present and accumulated values in the demonstration are determined at the average maximum valuation interest rate for contract reserves over the issue period.

This memo certifies that these rates with the full rate increase will be sufficient under moderately adverse conditions. Moderately adverse is defined as a 10% deterioration in the lifetime loss ratio (i.e. Lifetime Loss Ratio x 1.1).

23. Proposed Effective Date

The rate increase will apply to certificates on their next premium due date following a notification period at least as long as required by your state following approval. No insured will receive more than one increase in a 12 month period.

24. Relationship of Renewal Premium to New Business Premium

CCC is no longer selling any new long term care business. Therefore, the comparison of renewal premium rates after the rate increase to the Company's current new business premium rate schedule is not applicable.

25. Actuarial Certification

I am an Associate of the Society of Actuaries and a Member of the American Academy of Actuaries. I meet the Academy's qualification standards to render this actuarial opinion and am familiar with the filing requirements for long term care insurance premium and rate increases.

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice ("ASOP"), including, but not limited to, the following:

- ASOP 7, "Analysis of Life, Health, or Property/Casualty Insurer Cash Flows";
- ASOP 8, "Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits";
- ASOP 18, "Long Term Care Insurance";
- ASOP 23, "Data Quality"; and
- ASOP 41, "Actuarial Communications".

I have relied upon policy and claim information extracts, as of December 31, 2020, which contain a seriatim listing of all insureds covered under CCC Long Term Care insurance contracts. I have also relied upon associated paid premium extracts providing details of payment dates and amounts. I have also relied upon associated paid claim extracts providing details by claim regarding payment dates, service dates, benefit types and payment amounts. This information was provided by CCC's Long Term Care Operations team in partnership with our Third Party Administrator.

I have relied upon statutory reserves as of December 31, 2020, for Claims Reserves, Incurred but Not Reported reserves, and Terminated but Not Reported Reserves, provided by CCC's Long Term Care Finance and Reserving team.

I have relied upon actuarial assumptions developed by CCC's Long Term Care Projections and Experience Studies team, which develops assumptions primarily for asset and reserve adequacy analysis, under the direction of the opining actuary, John Munro, FSA, MAAA, who approved those assumptions in collaboration with other CCC Long Term Care actuaries, including Inforce Management actuaries. These assumptions present the actuary's best judgement, as of December 31, 2020. We have reviewed these assumptions for reasonableness and consistency for use in this filing.

I have reviewed and considered the policy design and benefits, as well as the company's underwriting and claims adjudication processes, when developing the filed rates.

I hereby certify that, to the best of my knowledge and judgement, this rate filing is in compliance with the applicable laws and regulations of your state. In my opinion, the actuarial assumptions are appropriate and the rates are neither excessive nor unfairly discriminatory.

Once the revised premium rate schedule is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized, no further premium rate schedule increases are anticipated.



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(312) 822-6179
louis.scarim@cna.com

January 21, 2022

Date

26. Exhibit Listing

- Exhibit 1: State Specific Information
- Exhibit 2: Distribution of Inforce Insureds
- Exhibit 3: Nationwide Experience and Projections
- Exhibit 4: Nationwide 58/85 Test

Exhibit 1
Continental Casualty Company
GLTC - Policy Forms with Standard Inflation
State Specific Information
Pennsylvania

12) Average Annualized Premium as of 12/31/2020

	Nationwide
Without Increase	\$1,758
With Increase	\$4,052

Pennsylvania
\$2,655
\$6,117

13) Insured Count and Premium as of 12/31/2020

Insureds Eligible for Rate Increase

	Nationwide
Insureds Not on Claim	18,684
Insureds on Claim	314
Total Insureds	18,998
2020 Annualized Premium	\$33,405,675

Pennsylvania
100
1
101
\$268,112

Insureds Not Eligible for Rate Increase

	Nationwide
Non-Forfeiture Insureds Not on Claim	4,081
Non-Forfeiture Insureds on Claim	2
Paid-Up Limited Pay Insureds Not on Claim	0
Paid-Up Limited Pay Insureds on Claim	0
Total Non-Forfeiture and Paid-Up Insureds	4,083

Pennsylvania
13
0
0
0
13

18) History of Rate Adjustments

SERFF Number	Approval Date
CNAB-130153872	1/12/2016
CNAB-131580664	9/26/2018
CNAB-132209522	4/10/2020

Rate Increase Approved
44.0%
20.0%
20.0%

20) Satisfaction of Minimum Loss Ratio Requirements

1) Expected Lifetime Loss Ratio with Increase	100%
2) Minimum Required Loss Ratio	60%
Is 1) Greater than 2)?	Yes

Exhibit 1
Continental Casualty Company
GLTC - Policy Forms without Standard Inflation
State Specific Information
Pennsylvania

12) Average Annualized Premium as of 12/31/2020

	Nationwide
Without Increase	\$1,205
With Increase	\$1,384

Pennsylvania
\$2,060
\$2,365

13) Insured Count and Premium as of 12/31/2020

Insureds Eligible for Rate Increase

	Nationwide
Insureds Not on Claim	107,700
Insureds on Claim	1,756
Total Insureds	109,456
2020 Annualized Premium	\$131,946,849

Pennsylvania
2,759
40
2,799
\$5,765,838

Insureds Not Eligible for Rate Increase

	Nationwide
Non-Forfeiture Insureds Not on Claim	73,482
Non-Forfeiture Insureds on Claim	25
Paid-Up Limited Pay Insureds Not on Claim	0
Paid-Up Limited Pay Insureds on Claim	0
Total Non-Forfeiture and Paid-Up Insureds	73,507

Pennsylvania
973
1
0
0
974

18) History of Rate Adjustments

SERFF Number	Approval Date
CNAB-130153872	1/12/2016
CNAB-131580664	9/26/2018
CNAB-132209522	4/10/2020

Rate Increase Approved
44.0%
20.0%
19.1%

20) Satisfaction of Minimum Loss Ratio Requirements

1) Expected Lifetime Loss Ratio with Increase	70%
2) Minimum Required Loss Ratio	60%
Is 1) Greater than 2)?	Yes

Exhibit 2
Continental Casualty Company
GLTC - Policy Forms with Standard Inflation
Distribution of Inforce Insureds Eligible for Rate Increase
Pennsylvania

		Nationwide				Pennsylvania			
		Count	% of Count	Premium	% of Premium	Count	% of Count	Premium	% of Premium
Issue Year	1987	0	0%	\$0	0%	0	0%	\$0	0%
	1988	0	0%	\$0	0%	0	0%	\$0	0%
	1989	29	0%	\$59,115	0%	0	0%	\$0	0%
	1990	9	0%	\$9,608	0%	0	0%	\$0	0%
	1991	52	0%	\$89,200	0%	0	0%	\$0	0%
	1992	18	0%	\$45,825	0%	0	0%	\$0	0%
	1993	361	2%	\$393,459	1%	0	0%	\$0	0%
	1994	688	4%	\$978,636	3%	0	0%	\$0	0%
	1995	88	0%	\$117,493	0%	0	0%	\$0	0%
	1996	105	1%	\$146,893	0%	0	0%	\$0	0%
	1997	120	1%	\$195,760	1%	0	0%	\$0	0%
	1998	114	1%	\$206,762	1%	10	10%	\$18,174	7%
	1999	927	5%	\$1,392,132	4%	0	0%	\$0	0%
	2000	1,858	10%	\$3,161,185	9%	0	0%	\$0	0%
	2001	3,520	19%	\$5,759,819	17%	0	0%	\$0	0%
	2002	1,785	9%	\$2,928,784	9%	55	54%	\$156,777	58%
	2003	2,283	12%	\$3,605,296	11%	0	0%	\$0	0%
	2004	692	4%	\$1,107,730	3%	3	3%	\$3,701	1%
	2005	597	3%	\$1,095,683	3%	3	3%	\$8,945	3%
	2006	1,050	6%	\$1,827,578	5%	6	6%	\$15,778	6%
	2007	566	3%	\$1,210,303	4%	3	3%	\$10,911	4%
	2008	889	5%	\$1,870,113	6%	19	19%	\$46,378	17%
	2009	377	2%	\$811,087	2%	0	0%	\$0	0%
	2010	742	4%	\$1,375,594	4%	0	0%	\$0	0%
	2011	427	2%	\$1,010,620	3%	0	0%	\$0	0%
	2012	490	3%	\$1,128,325	3%	1	1%	\$4,039	2%
	2013	429	2%	\$1,028,464	3%	0	0%	\$0	0%
	2014	260	1%	\$584,317	2%	0	0%	\$0	0%
	2015	283	1%	\$638,394	2%	1	1%	\$3,409	1%
	2016	239	1%	\$627,500	2%	0	0%	\$0	0%
	2017	0	0%	\$0	0%	0	0%	\$0	0%
	2018	0	0%	\$0	0%	0	0%	\$0	0%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
Issue Age	<35	1,307	7%	\$879,695	3%	4	4%	\$3,605	1%
	35-39	1,598	8%	\$1,483,552	4%	6	6%	\$7,212	3%
	40-44	2,600	14%	\$3,024,139	9%	10	10%	\$13,463	5%
	45-49	3,931	21%	\$5,644,243	17%	15	15%	\$29,795	11%
	50-54	4,579	24%	\$8,384,539	25%	37	37%	\$109,518	41%
	55-59	3,315	17%	\$8,148,746	24%	22	22%	\$76,030	28%
	60-64	1,284	7%	\$4,232,365	13%	7	7%	\$28,490	11%
	65-69	322	2%	\$1,258,334	4%	0	0%	\$0	0%
	70-74	54	0%	\$300,941	1%	0	0%	\$0	0%
	75-79	6	0%	\$33,513	0%	0	0%	\$0	0%
	80+	2	0%	\$15,608	0%	0	0%	\$0	0%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
Attained Age	<45	470	2%	\$339,538	1%	3	3%	\$2,098	1%
	45-49	673	4%	\$593,069	2%	3	3%	\$3,994	1%
	50-54	1,282	7%	\$1,344,390	4%	6	6%	\$7,691	3%
	55-59	2,297	12%	\$2,917,255	9%	5	5%	\$12,259	5%
	60-64	3,421	18%	\$5,201,720	16%	10	10%	\$17,620	7%
	65-69	4,293	23%	\$7,602,272	23%	27	27%	\$71,810	27%
	70-74	3,798	20%	\$7,835,099	23%	29	29%	\$86,734	32%
	75-79	1,959	10%	\$4,927,329	15%	16	16%	\$57,953	22%
	80-84	606	3%	\$1,905,997	6%	2	2%	\$7,953	3%
	85-89	151	1%	\$536,080	2%	0	0%	\$0	0%
	90+	48	0%	\$202,926	1%	0	0%	\$0	0%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
Gender	Male	7,829	41%	\$14,319,686	43%	36	36%	\$85,259	32%
	Female	11,169	59%	\$19,085,989	57%	65	64%	\$182,854	68%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
Inflation Type	None	0	0%	\$0	0%	0	0%	\$0	0%
	Simple	289	2%	\$320,345	1%	0	0%	\$0	0%
	Compound	18,709	98%	\$33,085,330	99%	101	100%	\$268,112	100%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
Tax Status	TQ	0	0%	\$0	0%	0	0%	\$0	0%
	NTQ	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
Max Benefit	Lifetime	123	1%	\$217,646	1%	2	2%	\$7,620	3%
	Not Lifetime	18,875	99%	\$33,188,030	99%	99	98%	\$260,492	97%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
Cov Type	Facility Only	0	0%	\$0	0%	0	0%	\$0	0%
	Comprehensive	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%
	Total	18,998	100%	\$33,405,675	100%	101	100%	\$268,112	100%

Exhibit 2
Continental Casualty Company
GLTC - Policy Forms without Standard Inflation
Distribution of Inforce Insureds Eligible for Rate Increase
Pennsylvania

		Nationwide				Pennsylvania			
		Count	% of Count	Premium	% of Premium	Count	% of Count	Premium	% of Premium
Issue Year	1987	2	0%	\$571	0%	0	0%	\$0	0%
	1988	26	0%	\$10,946	0%	0	0%	\$0	0%
	1989	1,020	1%	\$894,758	1%	0	0%	\$0	0%
	1990	1,046	1%	\$971,004	1%	0	0%	\$0	0%
	1991	2,979	3%	\$3,230,857	2%	0	0%	\$0	0%
	1992	1,772	2%	\$1,986,568	2%	96	3%	\$78,389	1%
	1993	5,809	5%	\$5,780,703	4%	25	1%	\$26,413	0%
	1994	2,810	3%	\$3,088,106	2%	0	0%	\$0	0%
	1995	1,440	1%	\$1,600,704	1%	1	0%	\$0	0%
	1996	2,889	3%	\$3,524,110	3%	3	0%	\$771	0%
	1997	1,224	1%	\$1,455,070	1%	5	0%	\$5,948	0%
	1998	2,302	2%	\$2,565,033	2%	104	4%	\$215,528	4%
	1999	6,985	6%	\$7,993,594	6%	433	15%	\$1,007,362	17%
	2000	10,696	10%	\$13,991,122	11%	481	17%	\$824,659	14%
	2001	14,167	13%	\$17,013,704	13%	257	9%	\$447,864	8%
	2002	12,012	11%	\$14,398,847	11%	270	10%	\$511,771	9%
	2003	8,160	7%	\$9,668,834	7%	55	2%	\$133,908	2%
	2004	2,511	2%	\$3,012,682	2%	31	1%	\$69,726	1%
	2005	2,690	2%	\$3,161,827	2%	40	1%	\$83,814	1%
	2006	3,994	4%	\$4,523,378	3%	40	1%	\$94,121	2%
	2007	3,237	3%	\$4,331,992	3%	133	5%	\$305,890	5%
	2008	3,938	4%	\$5,027,956	4%	50	2%	\$107,707	2%
	2009	2,024	2%	\$3,237,459	2%	547	20%	\$1,339,781	23%
	2010	5,686	5%	\$6,528,541	5%	23	1%	\$46,699	1%
	2011	1,464	1%	\$2,157,581	2%	26	1%	\$60,269	1%
	2012	2,041	2%	\$2,730,604	2%	40	1%	\$76,563	1%
	2013	3,321	3%	\$4,629,036	4%	35	1%	\$80,846	1%
	2014	1,114	1%	\$1,619,047	1%	36	1%	\$90,095	2%
	2015	1,158	1%	\$1,558,415	1%	40	1%	\$98,623	2%
	2016	937	1%	\$1,251,423	1%	28	1%	\$59,092	1%
	2017	2	0%	\$2,374	0%	0	0%	\$0	0%
	2018	0	0%	\$0	0%	0	0%	\$0	0%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
Issue Age	<35	8,888	8%	\$3,621,846	3%	97	3%	\$53,860	1%
	35-39	10,516	10%	\$6,377,551	5%	156	6%	\$132,528	2%
	40-44	15,467	14%	\$12,124,336	9%	279	10%	\$318,366	6%
	45-49	20,682	19%	\$20,643,811	16%	427	15%	\$560,495	10%
	50-54	24,478	22%	\$31,407,455	24%	698	25%	\$1,295,557	22%
	55-59	18,247	17%	\$30,814,618	23%	625	22%	\$1,521,670	26%
	60-64	8,220	8%	\$18,021,176	14%	371	13%	\$1,255,518	22%
	65-69	2,430	2%	\$6,906,138	5%	126	5%	\$524,379	9%
	70-74	470	0%	\$1,759,767	1%	19	1%	\$96,263	2%
	75-79	54	0%	\$246,657	0%	1	0%	\$7,202	0%
	80+	4	0%	\$23,493	0%	0	0%	\$0	0%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
Attained Age	<45	2,449	2%	\$818,683	1%	38	1%	\$19,071	0%
	45-49	3,744	3%	\$1,704,117	1%	34	1%	\$22,819	0%
	50-54	6,895	6%	\$3,920,860	3%	79	3%	\$66,613	1%
	55-59	12,376	11%	\$9,202,429	7%	234	8%	\$265,294	5%
	60-64	18,087	17%	\$17,583,126	13%	413	15%	\$624,676	11%
	65-69	21,857	20%	\$25,701,453	19%	652	23%	\$1,153,606	20%
	70-74	21,501	20%	\$30,726,332	23%	686	25%	\$1,557,378	27%
	75-79	13,394	12%	\$22,838,042	17%	400	14%	\$1,134,637	20%
	80-84	6,090	6%	\$12,234,556	9%	184	7%	\$625,351	11%
	85-89	2,290	2%	\$5,192,367	4%	65	2%	\$232,653	4%
	90+	773	1%	\$2,024,882	2%	14	1%	\$63,740	1%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
Gender	Male	47,167	43%	\$59,128,291	45%	1,283	46%	\$2,674,799	46%
	Female	62,289	57%	\$72,818,558	55%	1,516	54%	\$3,091,039	54%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
Inflation Type	None	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
	Simple	0	0%	\$0	0%	0	0%	\$0	0%
	Compound	0	0%	\$0	0%	0	0%	\$0	0%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
Tax Status	TQ	0	0%	\$0	0%	0	0%	\$0	0%
	NTQ	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
Max Benefit	Lifetime	734	1%	\$881,199	1%	0	0%	\$0	0%
	Not Lifetime	108,722	99%	\$131,065,650	99%	2,799	100%	\$5,765,838	100%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
Cov Type	Facility Only	0	0%	\$0	0%	0	0%	\$0	0%
	Comprehensive	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%
	Total	109,456	100%	\$131,946,849	100%	2,799	100%	\$5,765,838	100%

Exhibit 3
Continental Casualty Company
GLTC - Policy Forms with Standard Inflation
Nationwide Historical and Projected Experience Restated with Approved Pennsylvania Rate Increases

Year	Without Rate Increase				With 130.4% Cumulative Rate Increase			
	Earned Premium	Incurred Claims	Annual Loss Ratio	Cumulative Loss Ratio	Earned Premium	Incurred Claims	Annual Loss Ratio	Cumulative Loss Ratio
Historical								
1988	-	-	0%	0%	-	-	0%	0%
1989	4,693	-	0%	0%	4,693	-	0%	0%
1990	16,609	-	0%	0%	16,609	-	0%	0%
1991	68,692	-	0%	0%	68,692	-	0%	0%
1992	94,142	-	0%	0%	94,142	-	0%	0%
1993	148,856	5,431	4%	2%	148,856	5,431	4%	2%
1994	1,106,091	-	0%	0%	1,106,091	-	0%	0%
1995	1,568,877	-	0%	0%	1,568,877	-	0%	0%
1996	1,567,345	32,239	2%	1%	1,567,345	32,239	2%	1%
1997	2,121,661	125,509	6%	2%	2,121,661	125,509	6%	2%
1998	2,336,559	146,035	6%	3%	2,336,559	146,035	6%	3%
1999	3,974,631	371,870	9%	5%	3,974,631	371,870	9%	5%
2000	6,712,397	867,245	13%	8%	6,712,397	867,245	13%	8%
2001	12,758,815	2,177,853	17%	11%	12,758,815	2,177,853	17%	11%
2002	16,417,816	2,399,159	15%	13%	16,417,816	2,399,159	15%	13%
2003	20,973,823	4,362,660	21%	15%	20,973,823	4,362,660	21%	15%
2004	22,145,320	2,532,794	11%	14%	22,145,320	2,532,794	11%	14%
2005	22,190,147	1,678,570	8%	13%	22,190,147	1,678,570	8%	13%
2006	23,118,791	3,096,098	13%	13%	23,118,791	3,096,098	13%	13%
2007	23,738,152	4,626,665	19%	14%	23,738,152	4,626,665	19%	14%
2008	24,533,221	4,613,793	19%	15%	24,533,221	4,613,793	19%	15%
2009	25,200,519	4,483,146	18%	15%	25,200,519	4,483,146	18%	15%
2010	25,578,768	4,207,190	16%	15%	25,578,768	4,207,190	16%	15%
2011	26,387,932	4,199,050	16%	15%	26,387,932	4,199,050	16%	15%
2012	27,019,413	7,617,641	28%	16%	27,019,413	7,617,641	28%	16%
2013	27,543,932	7,529,100	27%	17%	27,543,932	7,529,100	27%	17%
2014	27,331,896	12,020,624	44%	19%	27,331,896	12,020,624	44%	19%
2015	27,327,372	11,631,405	43%	21%	27,327,372	11,631,405	43%	21%
2016	29,139,472	17,152,339	59%	24%	29,139,472	17,152,339	59%	24%
2017	31,542,156	16,535,881	52%	26%	31,542,156	16,535,881	52%	26%
2018	33,554,595	15,187,726	45%	27%	33,554,595	15,187,726	45%	27%
2019	37,194,805	14,902,796	40%	28%	37,194,805	14,902,796	40%	28%
2020	36,615,174	22,215,743	61%	31%	36,615,174	22,215,743	61%	31%
Total Actual	540,032,670	164,718,561	31%	31%	540,032,670	164,718,561	31%	31%
Projected								
2021	42,759,539	21,741,152	51%	32%	42,759,539	21,741,152	51%	32%
2022	41,555,159	29,169,824	70%	35%	50,912,274	31,145,245	61%	34%
2023	40,341,463	28,589,836	71%	37%	73,049,247	29,385,759	40%	35%
2024	39,107,492	32,688,504	84%	39%	84,162,672	30,530,352	36%	35%
2025	37,831,046	37,204,708	98%	42%	81,415,652	34,748,388	43%	36%
2026	36,501,074	42,515,454	116%	46%	78,553,437	39,708,509	51%	37%
2027	35,109,305	48,553,920	138%	50%	75,558,232	45,348,305	60%	39%
2028	33,646,216	55,067,366	164%	54%	72,409,539	51,431,722	71%	41%
2029	32,114,413	61,988,046	193%	59%	69,112,966	57,895,487	84%	43%
2030	30,544,832	69,307,792	227%	65%	65,735,094	64,731,970	98%	46%
2031	28,948,464	76,918,014	266%	71%	62,299,573	71,839,752	115%	50%
2032	27,331,729	84,754,785	310%	78%	58,820,223	79,159,125	135%	53%
2033	25,700,923	92,680,484	361%	85%	55,310,589	86,561,556	157%	57%
2034	24,064,694	100,472,085	418%	93%	51,789,283	93,838,742	181%	62%
2035	22,430,999	107,929,664	481%	102%	48,273,431	100,803,958	209%	66%
2036	20,811,454	114,787,379	552%	110%	44,788,033	107,208,915	239%	71%
2037	19,217,262	121,025,513	630%	120%	41,357,194	113,035,197	273%	77%
2038	17,657,720	126,452,961	716%	129%	38,000,927	118,104,315	311%	82%
2039	16,143,450	130,898,318	811%	139%	34,742,087	122,256,182	352%	88%
2040	14,684,399	134,313,000	915%	149%	31,602,085	125,445,421	397%	93%
2041	13,289,282	136,679,231	1028%	160%	28,599,673	127,655,429	446%	99%
2042	11,964,753	137,931,167	1153%	170%	25,749,173	128,824,710	500%	105%
2043	10,716,508	138,038,374	1288%	180%	23,062,843	128,924,839	559%	111%
2044	9,549,261	137,060,121	1435%	190%	20,550,827	128,011,172	623%	117%
2045	8,466,433	135,075,927	1595%	200%	18,220,488	126,157,978	692%	123%
2046	7,468,925	132,161,509	1769%	210%	16,073,766	123,435,975	768%	128%
2047	6,556,392	128,422,568	1959%	220%	14,109,917	119,943,885	850%	134%
2048	5,727,575	124,030,696	2166%	229%	12,326,232	115,841,973	940%	139%
2049	4,979,869	119,136,827	2392%	238%	10,717,104	111,271,205	1038%	144%
2050	4,309,923	113,827,748	2641%	247%	9,275,323	106,312,641	1146%	149%
2051	3,713,276	108,086,765	2911%	255%	7,991,287	100,950,688	1263%	154%
2052	3,185,195	102,029,512	3203%	263%	6,854,813	95,293,345	1390%	158%
2053	2,720,721	95,764,790	3520%	270%	5,855,225	89,442,231	1528%	163%
2054	2,314,322	89,450,919	3865%	277%	4,980,619	83,545,213	1677%	167%
2055	1,960,590	83,196,500	4243%	283%	4,219,359	77,703,721	1842%	170%
2056	1,654,460	76,978,589	4653%	289%	3,560,540	71,896,328	2019%	174%
2057	1,390,700	70,975,886	5104%	294%	2,992,905	66,289,934	2215%	177%
2058	1,164,520	65,131,026	5593%	299%	2,506,147	60,830,962	2427%	180%
2059	971,491	59,444,801	6119%	304%	2,090,732	55,520,151	2656%	183%
2060	807,272	54,010,731	6691%	308%	1,737,319	50,444,848	2904%	185%
2061	668,203	48,768,247	7298%	312%	1,438,029	45,548,482	3167%	187%
2062	550,979	43,830,998	7955%	315%	1,185,755	40,937,199	3452%	189%
2063	452,521	39,237,585	8671%	318%	973,865	36,647,051	3763%	191%
2064	370,128	34,918,877	9434%	321%	796,547	32,613,472	4094%	193%
2065	301,446	30,875,018	10242%	324%	648,737	28,836,595	4445%	194%
2066	244,393	27,125,426	11099%	326%	525,954	25,334,558	4817%	195%
2067	197,225	23,673,421	12003%	328%	424,445	22,110,460	5209%	197%
2068	158,363	20,520,988	12958%	329%	340,811	19,166,157	5624%	198%
2069	126,478	17,643,029	13950%	331%	272,191	16,478,205	6054%	198%
2070	100,468	15,045,191	14975%	332%	216,216	14,051,881	6499%	199%
2071	79,348	12,760,722	16082%	333%	170,765	11,918,237	6979%	200%
2072	62,261	10,728,546	17231%	334%	133,992	10,020,229	7478%	200%
2073	48,511	8,937,212	18423%	334%	104,399	8,347,162	7995%	201%
2074	37,517	7,343,543	19574%	335%	80,740	6,858,709	8495%	201%
2075	28,790	5,966,723	20725%	336%	61,959	5,572,790	8994%	201%
2076	21,910	4,801,422	21914%	336%	47,153	4,484,424	9510%	201%
2077	16,530	3,816,041	23085%	336%	35,574	3,564,099	10019%	202%
2078	12,356	2,999,626	24278%	336%	26,590	2,801,586	10536%	202%
2079	9,147	2,320,987	25375%	337%	19,685	2,167,752	11012%	202%
Total Projected	692,899,676	3,985,806,099	575%	575%	1,389,629,777	3,730,676,332	268%	268%
Total Lifetime	1,232,932,345	4,150,524,660	337%	337%	1,929,662,447	3,895,394,893	202%	202%
Values Accumulated/Discounted to 12/31/2020 at Maximum Statutory Valuation Interest Rates								
Past	829,741,483	220,961,079	27%	27%	829,741,483	220,961,079	27%	27%
Future	458,504,889	1,596,974,330	348%	348%	890,003,508	1,499,016,814	168%	168%
Lifetime	1,288,246,372	1,817,935,409	141%	141%	1,719,744,991	1,719,977,893	100%	100%

Exhibit 3
Continental Casualty Company
GLTC - Policy Forms without Standard Inflation
Nationwide Historical and Projected Experience Restated with Approved Pennsylvania Rate Increases

Year	Without Rate Increase				With 14.8% Cumulative Rate Increase			
	Earned Premium	Incurred Claims	Annual Loss Ratio	Cumulative Loss Ratio	Earned Premium	Incurred Claims	Annual Loss Ratio	Cumulative Loss Ratio
Historical								
1988	-	-	0%	0%	-	-	0%	0%
1989	378,760	-	0%	0%	378,760	-	0%	0%
1990	2,087,424	170,807	8%	7%	2,087,424	170,807	8%	7%
1991	6,230,821	551,263	9%	8%	6,230,821	551,263	9%	8%
1992	8,354,670	1,794,613	21%	15%	8,354,670	1,794,613	21%	15%
1993	13,513,023	1,447,139	11%	13%	13,513,023	1,447,139	11%	13%
1994	16,265,910	1,301,718	8%	11%	16,265,910	1,301,718	8%	11%
1995	17,675,527	2,504,088	14%	12%	17,675,527	2,504,088	14%	12%
1996	19,303,678	6,335,925	33%	17%	19,303,678	6,335,925	33%	17%
1997	33,658,264	4,798,756	14%	16%	33,658,264	4,798,756	14%	16%
1998	28,472,611	5,617,714	20%	17%	28,472,611	5,617,714	20%	17%
1999	34,567,870	9,971,985	29%	19%	34,567,870	9,971,985	29%	19%
2000	44,398,391	8,454,954	19%	19%	44,398,391	8,454,954	19%	19%
2001	59,626,690	9,756,986	16%	19%	59,626,690	9,756,986	16%	19%
2002	70,782,900	12,359,773	17%	18%	70,782,900	12,359,773	17%	18%
2003	81,157,513	14,629,706	18%	18%	81,157,513	14,629,706	18%	18%
2004	83,226,454	16,271,061	20%	18%	83,226,454	16,271,061	20%	18%
2005	83,117,945	21,026,097	25%	19%	83,117,945	21,026,097	25%	19%
2006	85,239,245	38,521,782	45%	23%	85,239,245	38,521,782	45%	23%
2007	86,109,613	27,743,602	32%	24%	86,109,613	27,743,602	32%	24%
2008	91,383,478	19,777,877	22%	23%	91,383,478	19,777,877	22%	23%
2009	93,204,418	27,370,620	29%	24%	93,204,418	27,370,620	29%	24%
2010	102,553,215	26,941,359	26%	24%	102,553,215	26,941,359	26%	24%
2011	103,188,902	26,676,898	26%	24%	103,188,902	26,676,898	26%	24%
2012	104,778,238	34,593,620	33%	25%	104,778,238	34,593,620	33%	25%
2013	112,142,216	38,170,215	34%	26%	112,142,216	38,170,215	34%	26%
2014	112,045,788	42,641,749	38%	27%	112,045,788	42,641,749	38%	27%
2015	112,450,818	48,461,797	43%	28%	112,450,818	48,461,797	43%	28%
2016	114,180,464	57,805,493	51%	29%	114,180,464	57,805,493	51%	29%
2017	124,806,743	49,460,735	40%	30%	124,806,743	49,460,735	40%	30%
2018	125,946,134	57,456,176	46%	31%	125,946,134	57,456,176	46%	31%
2019	143,205,459	62,259,406	43%	32%	143,205,459	62,259,406	43%	32%
2020	139,547,577	74,715,990	54%	33%	139,547,577	74,715,990	54%	33%
Total Actual	2,253,600,757	749,589,904	33%	33%	2,253,600,757	749,589,904	33%	33%
Projected								
2021	159,453,926	88,009,634	55%	35%	159,453,926	88,009,634	55%	35%
2022	153,723,554	111,158,660	72%	37%	161,321,303	120,324,322	75%	37%
2023	148,006,590	102,521,146	69%	39%	168,811,567	110,490,166	65%	39%
2024	142,213,818	110,172,805	77%	41%	162,204,517	109,434,647	67%	41%
2025	136,293,308	117,756,793	86%	43%	155,451,773	116,967,822	75%	42%
2026	130,228,953	126,476,332	97%	45%	148,534,964	125,628,941	85%	44%
2027	124,010,583	135,843,288	110%	47%	141,442,491	134,933,138	95%	46%
2028	117,612,260	145,001,943	123%	50%	134,144,769	144,030,430	107%	49%
2029	111,063,178	153,685,264	138%	53%	126,675,097	152,655,572	121%	51%
2030	104,512,300	161,909,798	155%	56%	119,203,376	160,825,002	135%	54%
2031	98,001,489	169,558,368	173%	59%	111,777,353	168,422,327	151%	57%
2032	91,551,126	176,583,397	193%	62%	104,420,276	175,400,289	168%	60%
2033	85,194,098	182,804,052	215%	66%	97,169,654	181,579,265	187%	63%
2034	78,954,523	187,932,683	238%	69%	90,052,995	186,673,534	207%	66%
2035	72,856,940	191,696,176	263%	73%	83,098,287	190,411,812	229%	69%
2036	66,933,580	193,937,296	290%	76%	76,342,293	192,637,916	252%	72%
2037	61,212,646	194,819,964	318%	80%	69,817,179	193,514,670	277%	76%
2038	55,720,834	194,249,341	349%	83%	63,553,395	192,947,871	304%	79%
2039	50,481,493	192,199,090	381%	87%	57,577,571	190,911,356	332%	82%
2040	45,515,227	188,756,624	415%	90%	51,913,207	187,491,955	361%	85%
2041	40,840,240	184,063,025	451%	94%	46,581,067	182,829,803	392%	88%
2042	36,467,986	178,301,155	489%	97%	41,594,214	177,106,538	426%	92%
2043	32,405,578	171,525,983	529%	100%	36,960,763	170,376,759	461%	94%
2044	28,655,977	163,836,954	572%	103%	32,684,087	162,739,246	498%	97%
2045	25,218,292	155,382,430	616%	106%	28,763,175	154,341,368	537%	100%
2046	22,087,296	146,405,204	663%	109%	25,192,061	145,424,289	577%	102%
2047	19,254,099	137,129,699	712%	112%	21,960,608	136,210,930	620%	105%
2048	16,706,108	127,649,243	764%	114%	19,054,450	126,793,993	665%	107%
2049	14,428,114	118,141,059	819%	116%	16,456,244	117,349,514	713%	109%
2050	12,404,050	108,692,245	876%	118%	14,147,661	107,964,007	763%	111%
2051	10,616,388	99,431,868	937%	120%	12,108,711	98,765,674	816%	113%
2052	9,046,336	90,484,833	1000%	122%	10,317,960	89,878,584	871%	114%
2053	7,674,641	81,882,509	1067%	124%	8,753,449	81,333,897	929%	116%
2054	6,483,066	73,735,943	1137%	125%	7,394,377	73,241,912	991%	117%
2055	5,453,332	66,100,253	1212%	126%	6,219,895	65,657,381	1056%	118%
2056	4,567,853	58,972,629	1291%	127%	5,209,946	58,577,513	1124%	120%
2057	3,810,362	52,378,622	1375%	128%	4,345,977	52,027,685	1197%	120%
2058	3,165,109	46,306,023	1463%	129%	3,610,022	45,995,772	1274%	121%
2059	2,617,939	40,735,679	1556%	130%	2,985,937	40,462,750	1355%	122%
2060	2,156,076	35,657,623	1654%	131%	2,459,152	35,418,717	1440%	123%
2061	1,767,865	31,072,731	1758%	132%	2,016,370	30,864,544	1531%	123%
2062	1,442,888	26,945,040	1867%	132%	1,645,712	26,764,508	1626%	124%
2063	1,172,157	23,267,728	1985%	133%	1,336,924	23,111,835	1729%	124%
2064	947,553	20,006,236	2111%	133%	1,080,748	19,872,194	1839%	125%
2065	762,027	17,116,496	2246%	133%	869,144	17,001,816	1956%	125%
2066	609,612	14,562,623	2389%	134%	695,303	14,465,054	2080%	125%
2067	484,999	12,315,028	2539%	134%	553,174	12,232,517	2211%	126%
2068	383,644	10,334,894	2694%	134%	437,572	10,265,650	2346%	126%
2069	301,709	8,607,137	2853%	134%	344,119	8,549,469	2484%	126%
2070	235,807	7,119,774	3019%	134%	268,954	7,072,071	2629%	126%
2071	183,067	5,839,273	3190%	135%	208,800	5,800,150	2778%	126%
2072	141,104	4,745,684	3363%	135%	160,938	4,713,888	2929%	126%
2073	107,941	3,817,250	3536%	135%	123,114	3,791,674	3080%	126%
2074	81,887	3,039,743	3712%	135%	93,398	3,019,377	3233%	126%
2075	61,560	2,391,461	3885%	135%	70,213	2,375,438	3383%	126%
2076	45,833	1,854,888	4047%	135%	52,276	1,842,461	3525%	126%
2077	33,793	1,418,404	4197%	135%	38,544	1,408,901	3655%	126%
2078	24,679	1,070,695	4338%	135%	28,148	1,063,522	3778%	126%
2079	17,858	798,614	4472%	135%	20,368	793,263	3895%	127%
Total Projected	2,346,405,250	5,458,209,332	233%	233%	2,639,809,571	5,440,795,331	206%	206%
Total Lifetime	4,600,006,006	6,207,799,236	135%	135%	4,893,410,328	6,190,385,235	127%	127%
Values Accumulated/Discounted to 12/31/2020 at Maximum Statutory Valuation Interest Rates								
Past	3,657,621,700	1,104,336,443	30%	30%	3,657,621,700	1,104,336,443	30%	30%
Future	1,589,647,596	2,700,166,651	170%	170%	1,778,015,138	2,699,731,837	152%	152%
Lifetime	5,247,269,296	3,804,503,094	73%	73%	5,435,636,838	3,804,068,280	70%	70%

Exhibit 4
Continental Casualty Company
GLTC - Policy Forms with Standard Inflation
Nationwide 58/85 Test with Increase
Nationwide Historical and Projected Premiums Restated with Approved Pennsylvania Rate Increases

1	Accumulated value of initial earned premium	776,316,717	x	58%	=	450,263,696
2a	Accumulated value of earned premium	829,741,483				
2b	Accumulated value of prior premium rate schedule increases (2a - 1)	53,424,766	x	85%	=	45,411,051
3	Present value of future projected initial earned premium	221,115,398	x	58%	=	128,246,931
4a	Present value of future projected premium	890,003,508				
4b	Present value of future projected premium in excess of the projected initial earned premiums (4a - 3)	668,888,110	x	85%	=	568,554,893
5	Lifetime Earned Premium Times Prescribed Factors: Sum of 1, 2b, 3, and 4b					1,192,476,571
6a	Accumulated value of incurred claims without the inclusion of active life reserves					243,057,187
6b	Present value of future projected incurred claims without the inclusion of active life reserves					1,648,918,495
7	Lifetime Incurred Claims with Rate Increase: Sum of 6a and 6b					1,891,975,682
8	Test: 7 is not less than 5					TRUE

All values are accumulated or discounted at the average maximum valuation interest rate for contract reserves which is a constant 4.35%.
The incurred claims (items 6a and 6b) were increased by 10% to reflect moderately adverse experience.

Exhibit 4
Continental Casualty Company
GLTC - Policy Forms without Standard Inflation
Nationwide 58/85 Test with Increase
Nationwide Historical and Projected Premiums Restated with Approved Pennsylvania Rate Increases

1	Accumulated value of initial earned premium	3,452,639,924	x	58%	=	2,002,531,156
2a	Accumulated value of earned premium	3,657,621,700				
2b	Accumulated value of prior premium rate schedule increases (2a - 1)	204,981,776	x	85%	=	174,234,510
3	Present value of future projected initial earned premium	772,405,501	x	58%	=	447,995,190
4a	Present value of future projected premium	1,778,015,138				
4b	Present value of future projected premium in excess of the projected initial earned premiums (4a - 3)	1,005,609,637	x	85%	=	854,768,192
5	Lifetime Earned Premium Times Prescribed Factors: Sum of 1, 2b, 3, and 4b					3,479,529,048
6a	Accumulated value of incurred claims without the inclusion of active life reserves					1,214,770,087
6b	Present value of future projected incurred claims without the inclusion of active life reserves					2,969,705,021
7	Lifetime Incurred Claims with Rate Increase: Sum of 6a and 6b					4,184,475,108
8	Test: 7 is not less than 5					TRUE

All values are accumulated or discounted at the average maximum valuation interest rate for contract reserves which is a constant 4.35%.
The incurred claims (items 6a and 6b) were increased by 10% to reflect moderately adverse experience.



CNA Center
151 North Franklin Street
Chicago, IL 60606

www.cna.com

January 21, 2022

Honorable Jessica K. Altman
Commissioner
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re: Long-Term Care Insurance Rate Filing Authorization

Dear Commissioner:

This letter authorizes the Long Term Care Group, Inc. (LTCG) to prepare and file long-term care rate increase and form filings in Pennsylvania on behalf of Continental Casualty Company (CCC). LTCG is also authorized to receive, on CCC's behalf, written and oral communication from the Pennsylvania Insurance Department during the rate increase filing process.

This authorization will remain in full force and effect until the earlier of (a) your receipt of a written notification from Continental Casualty Company expressly terminating this authorization; or (b) the final disposition of this filing.

Please feel free to contact me directly should you have any questions concerning this authorization.

A handwritten signature in black ink, appearing to read "C. O'Loughlin", with a long horizontal flourish extending to the right.

Ciaran O'Loughlin
Senior Vice President
Long-Term Care

THIS POLICY IS FOR RENEWAL BUSINESS ONLY

**CONTINENTAL CASUALTY COMPANY
PENNSYLVANIA
Group Long Term Care**

Supplement to Rate Sheets for Policy Forms:

“GLTC1” P1-43636-A, et al
“GLTC2” SR-LTCP-Series, et al

Rates in the above forms should be multiplied by the following factors:

Cumulative Rate Increase		
Inflation Type	Year 1 Factor	Year 2+ Factor
with Standard Lifetime ABI	3.525120	4.776538
without Standard Lifetime ABI	2.362639	2.362639

These amounts reflect the following prior approved and current rate increases:

Prior Approved Rate Increases			
Inflation Type	Approval Date	Effective Date	Amount Approved
All	1/12/2016	9/1/2016	20.0%
All	1/12/2016	9/1/2017	20.0%
All	9/26/2018	3/1/2019	20.0%
with Standard Lifetime ABI	4/10/2020	1/1/2021	20.0%
without Standard Lifetime ABI			19.1%

Current Rate Increase		
Inflation Type	Year 1 Amount	Year 2 Amount
with Standard Lifetime ABI	70.0%	35.5%
without Standard Lifetime ABI	14.8%	0.0%

Continental Casualty Company



An Illinois Domiciled Company

151 N. Franklin St.
Chicago, Illinois 60606

LONG TERM CARE INSURANCE ENDORSEMENT

Attach to Your Certificate.

Insured Name: <<Name>>

Certificate Number: <<Cert Number>>

Reference Number: <<Ref Number>>

Certificate Effective Date: <<Cert Date>>

Endorsement Effective Date: <<Endorsement Date>>

This Endorsement is now part of your Certificate. Subject to this Endorsement, you have accepted a one time cash payment of <<Amount>> and agreed to surrender your Certificate. By accepting this cash payment, you have agreed to terminate your Certificate. No claim for a prior or future loss will be eligible for consideration. Your Certificate is not eligible for reinstatement.

This Endorsement sets forth these changes to your Certificate:

Your Certificate is surrendered and is terminated;

As of the Endorsement Effective Date no further premiums are due.

As of the Endorsement Effective Date you may not reinstate your Certificate or make any changes to your benefits, coverages, or payment limits.

SIGNED FOR CONTINENTAL CASUALTY COMPANY

A handwritten signature in black ink, appearing to read "Dino E. Robusto". The signature is stylized with a large initial "D" and a long, sweeping underline.

Dino E. Robusto
Chairman and CEO

Continental Casualty Company
Statement of Variability
Form Number: Endorsement_Surrender_GLTC_NW_2021v2
Long-Term Care Insurance
Surrender Endorsement

Variable Field/Paragraph	Applicable Variability
<<Name>>	Customized to include the insured's name.
<<Cert Number>>	Customized to include the insured's certificate number.
<<Ref Number>>	Customized to include the insured's reference number.
<<Cert Date>>	Customized to include the certificate's original effective date.
<<Endorsement Date>>	Customized to include the endorsement's effective date.
<<Amount>>	Customized to include the insured's payment amount. Can be any amount greater than zero.



P.O. Box 13327
Pensacola, FL 32591
Phone: 1-877-838-8508
Fax: 1-877-914-2358

<<DATE>>

«FNAME» «MI» «LNAME»
«ADDRESS1»
«ADDRESS2»
«CITY» «STATE» «ZIPCODE»

Long-Term Care Insurance Change Offers

Company: <<COMPANY>>
Certificate Number: «REFERENCE NUMBER»
Reference Number: «CSG NUMBER»

Dear «FNAME» «LNAME»:

Thank you for choosing <<COMPANY>> for your long-term care insurance needs. We value your business and are committed to being here when you need us the most.

Some holders of long-term care insurance Certificates, issued by «COMPANY», are incurring a premium rate increase. The premium for your long-term care insurance Certificate number «POLICY NUMBER», issued on <<ISSUE DATE>> is **not increasing at this time**. However, we are offering you a few limited-time options to help manage the cost of paying for long-term care insurance.

Please note the options listed in this letter are time sensitive and require action on your part.

What is my Current Premium?

You currently pay <<CURRENT PREMIUM AMOUNT>> <<FREQUENCY>> for your long-term care insurance Certificate.

What are my Options?

We offer several options to help manage the cost of paying for long-term care insurance. These options are offered at CNA's discretion, and not all of them may be available to you in the future and may not be of equal value to you, so please review this information carefully. We encourage you to consult with your financial or other trusted advisor and a tax advisor before making a selection.

1. Lower Coverage to Reduce Premium

You may have the option to lower your premiums by reducing aspects of your coverage. Please contact us at 1-877-838-8508 to discuss benefit reduction options.

2. Surrender Your Policy Coverage

This option allows you to surrender your Certificate in exchange for a one-time cash payment of <<SURRENDER_PMT>>, which is based on the amount of money currently held by CNA to cover future expected benefit payments. If you elect this option, your Certificate will be terminated, and CNA will no longer have to pay any benefits, even if you have already received long-term care services. You will no longer have an active insurance Certificate, and it will not be eligible for reinstatement. If you elect this option, you may receive a 1099-MISC form for the tax year in which the option was executed. Please refer to the Surrender Option Election Form for additional details.

This option is available only at this time and may not be available again in the future. To select this option, complete the enclosed Surrender Option Election Form, **sign it and have it notarized** and return to CNA within 60 days from the date of this notice.

IMPORTANT – This option may result in a taxable event for you. Please consult a qualified tax professional or attorney to determine any tax impact to you. CNA does not provide tax advice.

Time to Reverse Decision.

If you opt to reduce your benefits or surrender your coverage, your request to reverse any such decision must be in writing, signed by you, and received by us no more than 30 days after the date of our written confirmation of your change.

Choose the Option That is Best for You.

As noted above, we are writing to advise you of **voluntary** benefit change options. If you wish to retain your current coverage without changes, you do not need to take action at this time. If you continue to pay your premium at the current amount, the terms of your coverage will not change.

We recommend that you carefully review the options available to you and contact us if you have questions. We encourage you to carefully evaluate your individual situation, the current and projected cost of care in your area, and consider speaking to your family or to a trusted financial or tax adviser before making changes to your coverage. All available options may not be of equal value. In addition, since CNA sold Certificates with varying benefits to insureds of different ages, these options may be of different value to other insureds.

Please be reminded that, under the terms of your Certificate, premium rates are not guaranteed. We regularly monitor experience on long-term care insurance Certificates and may need to implement increases in the future.

For more information regarding the options described in this letter or if you have any questions, please contact our customer service team at 1-877-838-8508 Monday through Friday, 7:00am to 7:00pm Central Time.

Sincerely,

<<OPERATIONS MANAGER NAME AND TITLE>>

Surrender Option Election Form

<<DATELTR>>

Insured: <<FNAME>> <<LNAME>>

Certificate Number: «REFERENCE NUMBER»

Reference Number: «CSG NUMBER»

To keep your existing coverage, you do not need to take any action.

If you would like to surrender your certificate, check the box on this page, then **sign, date, obtain notarization and return it to CNA by <<DATELTR + 60 DAY>>**. This form can be returned via mail to the address on the following page or via fax at xxx-xxx-xxxx.

Current Coverage Limits (as of <<DATE>>. Coverage changes made after this date are not reflected)

New <<FREQUENCY>> Premium which includes the rate increase	\$<<R_DEFAULT_MODAL_PREM>>
Current Daily Maximum Benefit	Up to \$<<CURRENT_DMB>> per day
Remaining Maximum Lifetime Benefit	<<MAXIMUM_LIFETIME_BENEFIT>>
Automatic Increase Benefit	<<ABI_TYPE>>

The surrender option offered herein is nontransferable and void upon death of the named insured. Any person who knowingly and with the intent to defraud the insurance company by electing to surrender this long term care certificate and is not the named insured or legal POA is committing a fraudulent act, which is a crime, and subject to criminal and civil penalties.

Options

Check Box	Change Description	New Daily Maximum Benefit	New Maximum Lifetime Benefit	Cash Payment	New <<FREQUENCY>> Premium
<input type="checkbox"/>	Surrender Option	\$0.00	\$0.00	<<SURENDER_PMT>>	\$0.00

THIS FORM MUST BE NOTARIZED

Signature of Insured

Date>>

Social Security Number: _____
(Required for 1099MISC)

Phone Number: _____
(Required for possible verification call)

Please Note

- The Surrender Option is non-transferrable and can only be elected by the named insured or legal Power of Attorney if the insured has been diagnosis with a cognitive impairment. Evidence of such diagnosis may be required.
- Some elections will be subject to an additional verbal verification confirmation.
- You should consider speaking to your family or to a trusted financial adviser before making changes to your coverage. You should also consult a qualified tax professional or attorney to determine any tax impact to you. CNA does not provide tax advice.
- If you have a limited pay certificate, please consider how many more premium payments you have left before making changes to your certificate
- Mail your completed form with proper notarization to the following address:

CNA Group Long Term Care
P.O Box 13327
Pensacola FL 32591



P.O. Box 13327
Pensacola, FL 32591
Phone: 1-877-838-8508
Fax: 1-877-914-2358

<<DATE>>

«FNAME» «MI» «LNAME»
«ADDRESS1»
«ADDRESS2»
«CITY» «STATE» «ZIPCODE»

Long-Term Care Insurance Premium Adjustment Notice

Company: <<COMPANY>>
Certificate Number: «REFERENCE NUMBER»
Reference Number: «CSG NUMBER»

Dear «FNAME» «LNAME»:

Thank you for choosing <<COMPANY>> for your long-term care insurance needs. We value your business and are committed to being here when you need us the most.

This letter is to inform you that the premium for your long-term care insurance coverage, issued by <<COMPANY>> on <<ISSUE DATE>>, is going to increase. This letter explains the amount and timing of your premium increase, and the options available to reduce the impact of the premium increase.

How much is my Premium Increase and when does my Bill Increase?

You currently pay <<CURRENT PREMIUM AMOUNT>> <<FREQUENCY>>. This premium amount will increase on the first premium due date on or after <<_POLICY_INCR_EFF_DATE>>. Your premium will change as follows:

<u>Premium Renewal Date</u>	<u>Percentage Increase</u>	<u>New <<FREQUENCY>> Premium</u>
<<R_POLICY_OFFER_EFF_DATE>>	<<RATE_INCREASE_PERCENTAGE>>	<<R_DEFAULT_MODAL_PREM>>

Why is my Premium Increasing?

The decision to implement a premium increase is a difficult one. <<COMPANY>>, like other long-term care insurers, used certain assumptions when originally setting the premium rate for your Certificate. These assumptions used the best available information at that time about a variety of factors, including the expected lifespan of Certificate holders, the number of insureds going on claim, the length of time insureds would be on claim, and the cost of receiving long-term care services. These assumptions were best

estimates of future experience for these policies. Unfortunately, actual experience developed differently than originally expected. More insureds are utilizing long-term care than expected and the cost of care is higher than expected. Therefore, we have determined that we must increase premiums to reflect the future claim expectations on these policies.

The premium increase has been filed with the state in which your Certificate was issued, and we are implementing this premium increase in accordance with the laws and regulations of this state. The increase is not due to a change in your health, your age, or your claims history. No individual Certificate holder has been singled out for a rate increase. Please be reminded that, under the terms of your Certificate, premium rates are not guaranteed and may be increased again in the future. We will continue to monitor experience on long-term care insurance policies and may need to implement additional increases in the future.

What are my Options?

<<COMPANY>> understands that a rate increase can be difficult, and offers a variety of options to help manage or avoid the increase. These options may not be of equal value to you, so please review this information carefully. We encourage you to consult with your financial or other trusted advisor and a tax advisor before making a selection.

1. Pay the New Premium Amount and Maintain Existing Coverage

If you wish to retain your current coverage without changes, you do not need to take action at this time. Your new increased premium will be reflected on your bill or, if you pay via electronic funds transfer, the withdrawal amount will be adjusted to reflect the premium increase. If you continue to pay your premium at the new amount, the terms of your coverage will not change.

2. Convert to a Paid-up Policy

If you stop paying premiums as of the premium increase effective date (or up to 120 days after the effective date of the premium increase) your Certificate will automatically convert to a 'paid-up' Certificate under the standard Contingent Non-Forfeiture Benefit. As a result, your lifetime maximum benefit will be <<CNF_LMT>>, which reflects the greater of the following:

- (i) 100% of the premiums paid on the Certificate to <<DATE>>, or
- (ii) 30 times your current maximum daily benefit amount.

This benefit is contingent on payment of all premiums due up to the effective date of the rate increase, and may change if premiums are paid after the date of this notice. The total of all benefits payable under this certificate, including the Contingent Non-Forfeiture Benefit, will not exceed the amount that would have been payable under your certificate if you had continued to pay the premium.

3. Lower Coverage to Reduce the Impact of the Premium Increase

<<Remove the Automatic Increase Benefit feature. Your policy includes an automatic increase benefit rider, which has increased your policy's daily maximum benefit amount by 5% per year to protect against inflation. You can reduce your premium if you discontinue the automatic increase benefit rider. Be assured that your policy's current benefit levels, which include the automatic increases that have already occurred, will remain intact. Please refer to the Coverage Change Option Election Form for additional details.>>

Change or Drop other Benefit Features. You may have the option to lower your premiums by reducing aspects of your coverage. Please contact us at 1-877-838-8508 to discuss benefit reduction options.

4. <<Surrender Your Certificate Coverage

This option allows you to surrender your Certificate in exchange for a one-time cash payment of <<SURRENDER_PMT>>, which is based on the amount of money currently held by <<COMPANY>> to cover future expected benefit payments. If you elect this option, your Certificate will be terminated, and <<COMPANY>> will no longer have to pay any benefits, even if you have already received long-term care services. You will no longer have an active insurance Certificate, and it will not be eligible for reinstatement. If you elect this option, you may receive a 1099-MISC form for the tax year in which the option was executed. Please refer to the Option Election Form for additional details.

This option is available only at this time and may not be available again in the future. To select this option, complete the enclosed Surrender Option Election Form, **sign it and have it notarized** and return to <<COMPANY>> by <<RATE_INC_EFF_DATE + 60 DAY>>.

IMPORTANT – This option may result in a taxable event for you. Please consult a qualified tax professional or attorney to determine any tax impact to you. <<COMPANY>> does not provide tax advice.>>

Time to Reverse Decision.

If you opt to change your coverage, your request to reverse any such decision must be in writing, signed by you, and received by us no more than 30 days after the date of our written confirmation of your coverage change.

Choose the Option That is Best for You.

We recommend that you carefully consider options available to you and contact us if you have questions. We encourage you to carefully evaluate your individual situation, the current and projected cost of care in your area, and consider speaking to your family or to a trusted financial or tax adviser before making changes to your coverage. All available options may not be of equal value. In addition, since <<COMPANY>> sold certificates with varying benefits to insureds of different ages, these options may

be of different value to other insureds.

Please be reminded that, under the terms of your Certificate, premium rates are not guaranteed. We regularly monitor experience on long-term care insurance policies and may need to implement increases in the future.

For more information regarding the options described in this letter or if you have any questions, please contact our customer service team at 1-877-838-8508 Monday through Friday, 7:00am to 7:00pm Central Time.

This letter is not a bill. However, we recommend that you keep a copy of this letter with your Certificate.

Sincerely,

<<OPERATIONS MANAGER NAME AND TITLE>>

Coverage Change Option Election Form

<<DATE>>

Insured: <<FNAME>> <LNAME>>

Certificate Number: «REFERENCE NUMBER»

Reference Number: «CSG NUMBER»

To keep your existing coverage, you do not need to take any action.

If you would like to change your coverage, check the corresponding box to indicate your choice, then **sign, date and return** to <<COMPANY>> by <<RATE_INC_EFF_DATE + 60 DAY>>. This form can be returned via mail to the address on the last page of this notice or via fax at xxx-xxx-xxxx.

Current Coverage Limits (as of <<DATE>>. Coverage changes made after this date are not reflected)

New <<FREQUENCY>> Premium which includes the rate increase	\$<<R_DEFAULT_MODAL_PREM>>
Current Daily Maximum Benefit	Up to \$<<CURRENT_DMB>> per day
Remaining Maximum Lifetime Benefit	<<MAXIMUM_LIFETIME_BENEFIT>>
Automatic Increase Benefit	<<ABI_TYPE>>

Options

Check Box	Change Description	New Daily Maximum Benefit	New Maximum Lifetime Benefit	Cash Payment	New <<FREQUENCY>> Premium
<input type="checkbox"/>	Remove the Automatic Increase Benefit feature and retain your current daily maximum benefit amounts reflected above	\$<<CURRENT_DMB>>	\$<<ABI_REDUCTION_LTM>>	None	\$<<ABI_REDUCTION_MODAL_PREMIUM>>

Signature

Date

Please note:

- You should consider speaking to your family or to a trusted financial adviser before making changes to your coverage. You should also consult a qualified tax professional or attorney to determine any tax impact to you. <<COMPANY>> does not provide tax advice.
- If you have a limited pay policy, please consider how many more premium payments you have left before making changes to your policy.
- If you currently have the Shared Advantage Benefit and are going to make a coverage change, your spouse may need to make the same coverage change.
- Mail your completed form to the following address:

<<COMPANY>> Group Long Term Care
P.O Box 13327
Pensacola FL 32591

Surrender Option Election Form

<<DATE>>

Insured: <<FNAME>> <<LNAME>>

Certificate Number: «REFERENCE NUMBER»

Reference Number: «CSG NUMBER»

To keep your existing coverage, you do not need to take any action.

If you would like to surrender your certificate, check the box on this page, then **sign, date, obtain notarization and return it to <<COMPANY>> by <<RATE_INCR_EFF_DATE + 60 DAY>>.** This form can be returned via mail to the address on the following page or via fax at xxx-xxx-xxxx.

Current Coverage Limits (as of <<DATE>>. Coverage changes made after this date are not reflected)	
New <<FREQUENCY>> Premium which includes the rate increase	\$<<R_DEFAULT_MODAL_PREM>>
Current Daily Maximum Benefit	Up to \$<<CURRENT_DMB>> per day
Remaining Maximum Lifetime Benefit	<<MAXIMUM_LIFETIME_BENEFIT>>
Automatic Increase Benefit	<<ABI_TYPE>>

The surrender option offered herein is nontransferable and void upon death of the named insured. Any person who knowingly and with the intent to defraud the insurance company by electing to surrender this long term care certificate and is not the named insured or legal POA is committing a fraudulent act, which is a crime, and subject to criminal and civil penalties.

Options					
Check Box	Change Description	New Daily Maximum Benefit	New Maximum Lifetime Benefit	Cash Payment	New <<FREQUENCY>> Premium
<input type="checkbox"/>	Surrender Option	\$0.00	\$0.00	<<SURENDE R_PMT>>	\$0.00

THIS FORM MUST BE NOTARIZED

Signature of Insured

Date>>

Social Security Number: _____
(Required for 1099MISC)

Phone Number: _____
(Required for possible verification call)

Please Note

- The Surrender Option is non-transferrable and can only be elected by the named insured or legal Power of Attorney if the insured has been diagnosis with a cognitive impairment. Evidence of such diagnosis may be required.
- Some elections will be subject to an additional verbal verification confirmation.
- You should consider speaking to your family or to a trusted financial adviser before making changes to your coverage. You should also consult a qualified tax professional or attorney to determine any tax impact to you. <<COMPANY>> does not provide tax advice.
- If you have a limited pay certificate, please consider how many more premium payments you have left before making changes to your certificate
- Mail your completed form with proper notarization to the following address:

<<COMPANY>> Group Long Term Care
P.O Box 13327
Pensacola FL 32591



CNA Center
151 North Franklin Street
Chicago, IL 60606

May 4, 2022

www.cna.com

Mr. Sean Carmody
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re: **Continental Casualty Company**
SERFF Tracking Number: LTG-133166533

Dear Mr. Sean Carmody,

This letter is in response to your objection letter dated March 07, 2022. The note indicated that further information is needed regarding the above-captioned filing. The items are restated below for your convenience, with responses in [blue](#):

- 1. Please provide a table in an Excel spreadsheet for this nationwide block of policies that shows the historical and projected nationwide earned premium and incurred claims on a calendar year basis assuming no rate increase is granted. Please restate the nationwide historical and projected earned premium so that the business from inception appears to have all been earned at the original rate level. The original rate level is the rate level that would have existed if no increase was ever granted on any policy nationwide. Answer this question considering only the policies representing GLTC policies with Standard Inflation.***

[Please see the attached Excel workbook: 'Nationwide Experience_Infl_NoRI.xlsx'](#) that shows the nationwide experience assuming no RIs were approved for GLTC policies with standard inflation.

- 2. Please provide a table in an Excel spreadsheet for this nationwide block of policies that shows the historical and projected nationwide earned premium and incurred claims on a calendar year basis assuming no rate increase is granted. Please restate the nationwide historical and projected earned premium so that the business from inception appears to have all been earned at the original rate level. The original rate level is the rate level that would have existed if no increase was ever granted on any policy nationwide. Answer this question considering only the policies representing GLTC policies without Standard Inflation.***

[Please see the attached Excel workbook: 'Nationwide Experience_NInfl_NoRI.xlsx'](#) that shows the nationwide experience assuming no RIs were approved for GLTC policies without standard inflation.

- 3. Please provide the percent of active remaining on a nationwide basis. How many policies were issued nationwide? How many policies remain inforce nationwide? Answer this question considering only the policies representing GLTC policies with Standard Inflation.***

[For policies eligible for rate increase:](#)

Total Policies Issued	40,128
Total Policies Inforce	18,998
Percent Policies Inforce	47.3%
Percent Inforce Active	98.3%

- 4. Please provide the percent of active remaining on a nationwide basis. How many policies were issued nationwide? How many policies remain inforce nationwide? Answer this question considering only the policies representing GLTC policies without Standard Inflation.***

For policies eligible for rate increase:

Total Policies Issued	385,953
Total Policies Inforce	109,456
Percent Policies Inforce	28.4%
Percent Inforce Active	98.4%

5. Please provide the cumulative weighted average increase granted on policies inforce on this block in PA. Answer this question considering only the GLTC policies with Standard Inflation.

The cumulative increase approved in Pennsylvania for GLTC policies with standard inflation is 107.36%.

6. Please provide the cumulative weighted average increase granted on policies inforce on this block in PA. Answer this question considering only the GLTC policies without Standard Inflation.

The cumulative increase approved in Pennsylvania for GLTC policies without standard inflation is 105.80%.

7. Of the 101 GLTC policies with standard inflation, how many were issued after 9/15/2002?

Of the referenced 101 GLTC policies with standard inflation, 44 policies were issued after 9/15/2002.

8. Of the 2,799 GLTC policies without standard inflation, how many were issued after 9/15/2002?

Of the referenced 2,799 GLTC policies without standard inflation, 1,172 policies were issued after 9/15/2002.

9. What is the approximate average daily benefit for these forms?

Please see the two tables below demonstrating the Average Daily Benefit for Facility Care and for Home Health Care. The distributions reflect a recent look at Pennsylvania GLTC 1 and GLTC 2 policyholders, eligible for rate increases, who are not in a Paid-Up status, and are not on claim.

Daily Benefit (Facility Care)	
Daily Benefit Range	Distribution
\$0 - \$50	0%
\$50 - \$100	3%
\$100 - \$150	22%
\$150 - \$200	30%
\$200 - \$250	25%
\$250 - \$300	13%
\$300 - \$350	4%
\$350 - \$400	2%
\$400 - \$450	1%
\$450 - \$500	0%
Average Daily Benefit	\$190

Daily Benefit (Home Health Care*)	
HHC Band*	Distribution
50%	95%
60%	2%
75%	3%
Average Daily Benefit	\$103

**Benefits for home based care are available at 50% to 100% of the daily facility benefit, depending on the level chosen by the insured.*

10. Provide exhibits 1-4 in an Excel workbook.

Please see the attached Excel workbook: 'Excel Exhibits.xlsx'

11. How many GLTC1 or P1-43636-A series policies are inforce in PA?

There are no GLTC1 or P1-43636-A series policies inforce in PA.

12. How many GLTC2 or SR-LTCP series policies are inforce in PA?

There are 3,887 GLTC2 or SR-LTCP series policies inforce in PA: 2,900 of these inforce policies are eligible for a rate increase. The remaining 987 are non-forfeiture or paid-up and are not eligible for a rate increase.

13. Please provide a listing of the past requested increases and approved increases by state for this block. Also include a column showing the cumulative increases approved in each state to date.

Please see the attached Excel workbook: 'GLTC State Status Listing (as of 05.03.2022).xlsx'

14. Continental Casualty has offered a surrender option in the past. The company has also offered a conversion option that provided a paid-up benefit of 100% of premium paid plus a cash payment. What is the approximate percent of policyholders that, when offered a cash surrender option, actually choose to exercise it?

The results of our pilot program conducted over the past year and a half resulted in only about 2% of policyholders choosing to surrender.

Thank you for your assistance in reviewing this filing.

Sincerely,



Louis Scarim, ASA, MAAA
Actuarial Consulting Director, LTC Inforce Management
(312) 822-6179
louis.scarim@cna.com



CNA Center
151 North Franklin Street
Chicago, IL 60606

August 4, 2022

www.cna.com

Mr. Sean Carmody
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re: **Continental Casualty Company**
SERFF Tracking Number: LTCCG-133166533

Dear Mr. Sean Carmody,

This letter is in response to your objection letter dated July 13, 2022. The note indicated that further information is needed regarding the above-captioned filing. The items are restated below for your convenience, with responses in [blue](#):

1. ***For the 2,799 policies without Standard Lifetime ABI, we can approve a 13% increase on the pre-RS policies (policies issued before 9/16/2002) and a 14.8% increase on the post-RS policies (policies issued after 9/15/2002).***

[We are concerned with implementing different rate increases for group insureds issued before, and those issued on or after, Pennsylvania's rate stability effective date. New insureds were added to groups that were in force prior to rate stability, so there could be insureds issued before 9/16/2002 and on or after 9/16/2002 at the same age with the same benefits, paying the same premium. If these insureds receive a different increase now, they would be paying different premiums going forward which could result in questions or confusion. While we believe a 14.8% rate increase is justified, we would accept a 13% rate increase on all of the Pennsylvania insureds without standard lifetime inflation, regardless of the certificate issue date.](#)

2. ***For the 101 policies with Standard Lifetime ABI, we can approve a 99.9% increase spread over three years, with no policyholder receiving more than a 30% in a given year.***

[Thank you for your consideration, while we believe a larger rate increase is justified, we will accept this offer. We will implement the rate increase over three years as follows:](#)

Year	Rate Increase
1	30%
2	30%
3	18.3%
Total Cumulative	99.9%

3. **Lastly, please provide a seriatim listing of the 2,900 Continental Casualty policies in this block in Excel. Each row within the worksheet must contain the policy's unique identification number, form number, series (i.e. GLTC1 or GLTC2), issue age, issue date, inflation status indicator, benefit period, and Continental Casualty's suggested premium increase each year of the implementation period.**

[Please see the attached seriatim listing 'PA Seriatim Insured - Final.xlsx'](#)

August 4, 2022
Page 3

Thank you for your assistance in reviewing this filing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lou Scarim".

Louis Scarim, ASA, MAAA
Actuarial Consulting Director, LTC Inforce Management
(312) 822-6179
louis.scarim@cna.com